

Copy Application

**Baptist Memorial Hospital
for Women**

CN1211-058

2012 NOV 15 PM 4 23

November 13, 2012

Melanie Hill, Executive Director
Health Services and Development Agency
500 Deaderick Street, Suite 850
Nashville, TN 37243

RE: Certificate of Need Application
Baptist Memorial Hospital for Women

Dear Ms. Hill:

Enclosed are three copies of the Certificate of Need application for the Pediatric Emergency Department addition and MRI acquisition at Baptist Memorial Hospital for Women. A check for \$31,740.00 is enclosed for the review fee.

Thank you for your attention.

Sincerely,

A handwritten signature in cursive script, appearing to read "Arthur Maples".

Arthur Maples
Dir. Strategic Analysis

Enclosure

DATE	INVOICE NO.	P.O. NO.	AMOUNT OF INVOICE	DEDUCTIONS	BALANCE
11/12/12 BMH FOR WOMEN FILING OF APPLICATION OF CON	1812 BMH FOR WO		31740.00	00.00	31740.00
2012 NOV 15 PM 4 23					

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND AND MICROPRINTING. DO NOT CASH IF MISSING.



Memorial Health Care
350 N. Humphreys Blvd.
Memphis, Tennessee 38120

26-2
840

1578914

CHECK DATE	AMOUNT
11/13/12	31740.00

PAY Thirty-one thousand, seven hundred forty and 00/100

TO THE ORDER OF STATE OF TENN
HLTH SVCS & DEVELOPMENT AGENCY
500 DEADERICK ST
SUITE 850
NASHVILLE TN 37243

THE FIRST TENNESSEE BANK, NA

Donald R. Pounds
AUTHORIZED SIGNATURE
Stephen C. Foy
AUTHORIZED SIGNATURE

**CERTIFICATE OF NEED
APPLICATION**

**PEDIATRIC EMERGENCY DEPARTMENT
ADDITION AND MRI ACQUISITION**

**BAPTIST MEMORIAL HOSPITAL FOR WOMEN
November 2012**

1. **Name of Facility, Agency, or Institution**

Baptist Memorial Hospital for Women, a satellite of Baptist Memorial Hospital
 Name
 6225 Humphreys Blvd
 Street or Route
 Memphis
 City
 TN
 State
 Shelby
 County
 38120
 Zip Code

2. **Contact Person Available for Responses to Questions**

Arthur Maples
 Name
 Baptist Memorial Health Care Corporation
 Company Name
 350 N. Humphreys Blvd
 Street or Route
 Employee
 Association with Owner
 Memphis
 City
 901-227-4137
 Phone Number
 Dir. Strategic Analysis
 Title
 Arthur.Maples@bmhcc.org
 Email address
 TN
 State
 38120
 Zip Code
 901-227-5004
 Fax Number

3. **Owner of the Facility, Agency or Institution**

Baptist Memorial Hospital
 Name
 350 N Humphreys Blvd
 Street or Route
 Memphis
 City
 TN
 State
 Shelby
 County
 38120
 Zip Code

4. **Type of Ownership of Control (Check One)**

A. Sole Proprietorship
 B. Partnership
 C. Limited Partnership
 D. Corporation (For Profit)
 E. Corporation (Not-for-Profit) X
 F. Government (State of TN or Political Subdivision)
 G. Joint Venture
 H. Limited Liability Company
 I. Other (Specify)

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND
 REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

5. **Name of Management/Operating Entity (If Applicable)**

Baptist Memorial Hospital for Women
Name
6225 Humphreys Blvd
Street or Route
Memphis
City
TN
State
Shelby
County
38120
Zip Code

PUT ALL ATTACHMENTS AT THE END OF THE APPLICATION IN ORDER AND
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

6. **Legal Interest in the Site of the Institution (Check One)**

- A. Ownership ☒ X
B. Option to Purchase _____
C. Lease of _____ Years _____
D. Option to Lease _____
E. Other (Specify) _____

PUT ALL ATTACHMENTS AT THE BACK OF THE APPLICATION IN ORDER AND
REFERENCE THE APPLICABLE ITEM NUMBER ON ALL ATTACHMENTS.

7. **Type of Institution (Check as appropriate--more than one response may apply)**

- A. Hospital (Specify) ☒ X
B. Ambulatory Surgical Treatment Center (ASTC), Multi-Specialty _____
C. ASTC, Single Specialty _____
D. Home Health Agency _____
E. Hospice _____
F. Mental Health Hospital _____
G. Mental Health Residential Treatment Facility _____
H. Mental Retardation Institutional Habilitation Facility (ICF/MR) _____
I. Nursing Home _____
J. Outpatient Diagnostic Center _____
K. Recuperation Center _____
L. Rehabilitation Facility _____
M. Residential Hospice _____
N. Non-Residential Methadone Facility _____
O. Birthing Center _____
P. Other Outpatient Facility (Specify) _____
Q. Other (Specify) _____

8. **Purpose of Review (Check) as appropriate--more than one response may apply)**

- A. New Institution _____
B. Replacement/Existing Facility _____
C. Modification/Existing Facility ☒ X
D. Initiation of Health Care Service as defined in TCA § 68-11-1607(4) (Specify) _____
E. Discontinuance of OB Services _____
F. Acquisition of Equipment ☒ X
G. Change in Bed Complement [Please note the type of change by underlining the appropriate response: Increase, Decrease, Designation, Distribution, Conversion, Relocation] _____
H. Change of Location _____
I. Other (Specify) _____

9. Bed Complement Data

Please indicate current and proposed distribution and certification of facility beds.

	<u>Current Licensed</u>	<u>Beds *CON</u>	<u>Staffed Beds</u>	<u>Beds Proposed</u>	<u>TOTAL Beds at Completion</u>
A. Medical	36		36		36
B. Surgical					
C. Long-Term Care Hospital					
D. Obstetrical	48		48		48
E. ICU/CCU	4		4		4
F. Neonatal	40		40		40
G. Pediatric	12		12		12
H. Adult Psychiatric					
I. Geriatric Psychiatric					
J. Child/Adolescent Psychiatric					
K. Rehabilitation					
L. Nursing Facility (non-Medicaid Certified)					
M. Nursing Facility Level 1 (Medicaid only)					
N. Nursing Facility Level 2 (Medicare only)					
O. Nursing Facility Level 2 (dually certified Medicaid/Medicare)					
P. ICF/MR					
Q. Adult Chemical Dependency					
R. Child and Adolescent Chemical Dependency					
S. Swing Beds					
T. Mental Health Residential Treatment					
U. Residential Hospice					
TOTAL	140		140		140

*CON-Beds approved but not yet in service

10. Medicare Provider Number 44-0048
Certification Type Hospital

11. Medicaid Provider Number 0440048
Certification Type Hospital

12. If this is a new facility, will certification be sought for Medicare and/or Medicaid?

13. *Identify all TennCare Managed Care Organizations/Behavioral Health Organizations (MCOs/BHOs) operating in the proposed service area. Will this project involve the treatment of TennCare participants? yes If the response to this item is yes, please identify all MCOs/BHOs with which the applicant has contracted or plans to contract.*

TN Care MCOs: BCBST Blue Care, TN Care Select, Americhoice

Discuss any out-of-network relationships in place with MCOs/BHOs in the area.

NOTE: **Section B** is intended to give the applicant an opportunity to describe the project and to discuss the need that the applicant sees for the project. **Section C** addresses how the project relates to the Certificate of Need criteria of Need, Economic Feasibility, and the Contribution to the Orderly Development of Health Care. Discussions on how the application relates to the criteria should not take place in this section unless otherwise specified.

SECTION B: PROJECT DESCRIPTION

Please answer all questions on 8 1/2" x 11" white paper, clearly typed and spaced, identified correctly and in the correct sequence. In answering, please type the question and the response. All exhibits and tables must be attached to the end of the application in correct sequence identifying the questions(s) to which they refer. If a particular question does not apply to your project, indicate "Not Applicable (NA)" after that question.

- I. Provide a brief executive summary of the project not to exceed two pages. Topics to be included in the executive summary are a brief description of proposed services and equipment, ownership structure, service area, need, existing resources, project cost, funding, financial feasibility and staffing.

Executive Summary

Baptist Memorial Hospital for Women (BMHW) is a satellite of Baptist Memorial Hospital Memphis (BMHM) and is located on an adjacent campus. More than 10 years ago, BMHW was opened to enhance and intensify a focus on women's health. Women's Services were consolidated to provide a better continuum of care in an environment where they could be distinguished from other general hospital services. Consolidating a segment of services at a single location improved functionality and reduced fragmentation of resources. BMHW is now recognized by the community as a provider of high quality, patient friendly services for women of all ages. Patients, medical staff and families appreciate the care and attention focused on a specialized group of patients' needs. In the 12 months from Oct 1, 2011 to Sept 31, 2012, the hospital was the birthplace for 5,300 infants which was more than an 8% increase from the previous 12 months.

Baptist Memorial Hospital-Memphis (BMHM) has provided inpatient, outpatient and emergency care for children over the years, however, the hospital serves all ages and adults far outnumber the children. Approximately a year ago, inpatient beds were designated for pediatrics at BMHW. The pediatric beds at the adjacent BMHM tertiary campus were returned to regular adult acute care. Baptist Memorial Hospital for Women is proposing to construct an emergency department that will be dedicated to providing pediatric services. The facility will be designed and operated to provide high quality care with appropriate equipment and staff with resources to best insure care of children. The department will offer basic ED services and will be staffed by pediatricians who are Hospitalists. Having offered obstetrical services from the time that it opened, BMHW also has 143 pediatricians on the active medical staff.

The ED facility will be efficiently designed to control cost and maintain financial sustainability. For example, a portion of the department will serve pediatric ambulatory surgical cases at specified times during the day for admission, second stage recovery and discharge.

The ED visits at BMHW are projected to be 7,320 in year 1 and 7,900 in year 2. The ED at BMHM had 6,618 pediatric visits in FY 2011. Growth is anticipated due to several factors such as population and increasing use of the Womens Hospital by families with young children within the service area. The pediatric ED will also serve referrals from Baptist Memorial Health Care Corporation (BMHCC) hospitals especially those in the primary service area of Shelby, Tipton and Fayette counties in Tennessee and DeSoto County in Mississippi. BMHW expects growth in pediatric utilization to occur as the result of having a dedicated pediatric ED.

In addition to constructing the Pediatric ED, BMHW is proposing to acquire a Magnetic Resonance Imaging (MRI) unit. The hospital has periodically evaluated a need for an MRI. With the proposed ED comes additional responsibility to provide access for pediatric ED patients. Orthopedic trauma patients are projected to be frequent users of the pediatric ED. Emergency clinicians rely on radiologists and diagnostic imaging to quickly inform a medical treatment decisions. MRI along with computed tomography xray and ultrasound provide diagnostic imaging support to diagnose patients and move them quickly to the proper service locations.

BMHM is planning to upgrade an existing MRI unit to provide patients with access to a wider bore unit. When the upgrade occurs, a 1.5T MRI at BMHM will be available for acquisition by BMHW. The market value of \$100,000 is much less than the CON threshold. The number of scans at BMHW are projected to be 875 in year 1 and 1,092 in year 2 which is less than the utilization standards for non-specialty MRI units. The three MRI units at BMHM are exceeding the 80% utilization of 2,880 annual procedures as shown in the following table. Relocating scans to BMHW will not drop BMHM below the 80% utilization threshold and access to patient service at BMHW will provided.

Total MRI Scans at BMH-Memphis (3 Units)

Fiscal YEAR	2009	2010	2011
Procedures	11,357	11,517	12,052
% Change		1.41%	4.65%
Avg per unit	3,786	3,839	4,017

Due to the need to provide access for pediatric patients and NICU infants as well as other hospital patients who would be transported to BMHM, the applicant requests special consideration by the HSDA. as provided in the criteria item 9 d. shown on the following page.

9. In light of Rule 0720-11.01, which lists the factors concerning need on which an application may be evaluated, and Principle No. 2 in the State Health Plan, "Every citizen should have reasonable access to health care," the HSDA may decide to give special consideration to an applicant:

- a. Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration;
- b. Who is a "safety net hospital" or a "children's hospital" as defined by the Bureau of TennCare Essential Access Hospital payment program; or
- c. Who provides a written commitment of intention to contract with at least one TennCare MCO and, if providing adult services, to participate in the Medicare program; or
- d. Who is proposing to use the MRI unit for patients that typically require longer preparation and scanning times (e.g., pediatric, special needs, sedated, and contrast agent use patients). The applicant shall provide in its application information supporting the additional time required per scan and the impact on the need standard.

II. Provide a detailed narrative of the project by addressing the following items as they relate to the proposal.

- A. Describe the construction, modification and/or renovation of the facility (exclusive of major medical equipment covered by T.C.A. § 68-11-1601 et seq.) including square footage, major operational areas, room configuration, etc. Applicants with hospital projects (construction cost in excess of \$5 million) and other facility projects (construction cost in excess of \$2 million) should complete the Square Footage and Cost per Square Footage Chart. Utilizing the attached Chart, applicants with hospital projects should complete Parts A.-E. by identifying as applicable nursing units, ancillary areas, and support areas affected by this project. Provide the location of the unit/service within the existing facility along with current square footage, where, if any, the unit/service will relocate temporarily during construction and renovation, and then the location of the unit/service with proposed square footage. The total cost per square foot should provide a breakout between new construction and renovation cost per square foot. Other facility projects need only complete Parts B.-E. Please also discuss and justify the cost per square foot for this project.

If the project involves none of the above, describe the development of the proposal.

Response

As shown on the following chart the project involves approximately 35,320 square feet in new construction for the emergency department and approximately 2,180 square feet in renovation for the MRI unit and imaging registration. The area to be renovated for the MRI unit is presently used for Pediatric surgery admission and waiting. Those functions will relocate to the new ED. That total building cost as shown in the chart and is \$8,924,353.

The ED will be located on the ground floor in new construction that will share a common wall with the existing building. Shell space will be above the New ED to allow future occupancy without disrupting operation.

- B. Identify the number and type of beds increased, decreased, converted, relocated, designated, and/or redistributed by this application. Describe the reasons for change in bed allocations and describe the impact the bed change will have on the existing services.

Response:

Changes in beds are not part of this project proposal. However, the exam treatment areas are shown below:

EXAM TREATMENT AREA	PROPOSED
Single Treatment Positions	
Cardiac Exam	2
Ortho Exam/Treatment Room	2
Psychiatric Exam Room	1
Bariatric/Isolation Exam Room	1
Observation 1 Room(4 Bays)	1
Holding/Recovery 3 bays /2 exam	1
TOTAL	8 Areas

SQUARE FOOTAGE AND COST PER SQUARE FOOTAGE CHART

A. Unit / Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage			Proposed Final Cost/ SF		
					Renovated	New	Total	Renovated	New	Total
Emergency Department										
Exam/Treatment Space						2110	2100		310	654,100
Support Space						3390	3390		310	1,050,900
Waiting Area						1440	1440		290	417,600
Outpatient Services										
Exam space						1100	1100		310	341,000
Support Space						200	200		310	62,000
Waiting Are						680	680		290	197,200
MRI Renovation					1277		1277	300		383,100
Registration/Admin					903		903	281		253,743
Hospital Shell space						12520	12520		130	1,627,600
Canopies/Soffits						2852	2852		281	801,412
B. Unit/Depart. GSF Sub-Total					2,180	24,292	26,472	581	2,231	5,788,655
C. Mechanical/ Electrical GSF						1270	1270		310	393,700
D. Circulation /Structure GSF						9758	9758		281	2,741,998
E. Total GSF					2,180	35,320	37,500	581	2,822	\$8,924,353

C. As the applicant, describe your need to provide the following health care services (if applicable to this application):

1. Adult Psychiatric Services
2. Alcohol and Drug Treatment for Adolescents (exceeding 28 days)
3. Birthing Center
4. Burn Units
5. Cardiac Catheterization Services
6. Child and Adolescent Psychiatric Services
7. Extracorporeal Lithotripsy
8. Home Health Services
9. Hospice Services
10. Residential Hospice
11. ICF/MR Services
12. Long-term Care Services
13. **Magnetic Resonance Imaging (MRI)**
14. Mental Health Residential Treatment
15. Neonatal Intensive Care Unit
16. Non-Residential Methadone Treatment Centers
17. Open Heart Surgery
18. Positron Emission Tomography
19. Radiation Therapy/Linear Accelerator
20. Rehabilitation Services
21. Swing Beds

Response

As described in the previous question, an MRI unit is needed to serve the pediatric population at BMHW. It will also provide service for NICU infants reducing the transportation risks for the fragile patients. Other patients who are now transported to BMHM can be served more conveniently and transportation expenses avoided. The market value of the unit makes acquiring it from BMHM, which is under the same hospital license, an effective application of resources.

D. Describe the need to change location or replace an existing facility.

Response

Baptist Memorial Hospital for Women is proposing to construct an emergency department that will be dedicated to providing pediatric services. The facility will be designed and operated to provide high quality care with appropriate equipment and staff with resources to best insure care of children.

E. Describe the acquisition of any item of major medical equipment (as defined by the Agency Rules and the Statute) which exceeds a cost of \$2.0 million; and/or is a magnetic resonance imaging (MRI) scanner, positron emission tomography (PET) scanner, extracorporeal lithotripter and/or linear accelerator by responding to the following:

1. For fixed-site major medical equipment (not replacing existing equipment):
 - a. Describe the new equipment, including:

1. Total cost ;(As defined by Agency Rule).
2. Expected useful life;
3. List of clinical applications to be provided; and
4. Documentation of FDA approval.

Response:

Documentation of FDA approval is provided.

- b. Provide current and proposed schedules of operations.
2. For mobile major medical equipment:
 - a. List all sites that will be served;
 - b. Provide current and/or proposed schedule of operations;
 - c. Provide the lease or contract cost.
 - d. Provide the fair market value of the equipment; and
 - e. List the owner for the equipment.

Response

Not applicable

3. Indicate applicant's legal interest in equipment (*i.e.*, purchase, lease, etc.) In the case of equipment purchase include a quote and/or proposal from an equipment vendor, or in the case of an equipment lease provide a draft lease or contract that at least includes the term of the lease and the anticipated lease payments.

Response

The MRI unit will be purchased by the hospital. An assessment of market value is included as an attachment.

III. (A) Attach a copy of the plot plan of the site on an 8 1/2" x 11" sheet of white paper which must include:

1. Size of site (*in acres*);
2. Location of structure on the site; and
3. Location of the proposed construction.
4. Names of streets, roads or highway that cross or border the site.

Response:

Please refer to Attachment Section B, III, A(1)

Please note that the drawings do not need to be drawn to scale. Plot plans are required for all projects.

- (B) 1. Describe the relationship of the site to public transportation routes, if any, and to any highway or major road developments in the area. Describe the accessibility of the proposed site to patients/clients.

Response:

Public transportation is easily accessible on Humphreys Boulevard and is shown in the plot plan.

- IV. Attach a floor plan drawing for the facility which includes legible labeling of patient care rooms (noting private or semi-private), ancillary areas, equipment areas, etc. on an 8 1/2" x 11" sheet of white paper.

Response:

The floor plan is provided in Attachment Section B, IV.

NOTE: DO NOT SUBMIT BLUEPRINTS. Simple line drawings should be submitted and need not be drawn to scale.

- V. For a Home Health Agency or Hospice, identify:

1. Existing service area by County;
2. Proposed service area by County;
3. A parent or primary service provider;
4. Existing branches; and
5. Proposed branches.

Response:

Not applicable

SECTION C: GENERAL CRITERIA FOR CERTIFICATE OF NEED

In accordance with Tennessee Code Annotated § 68-11-1609(b), "no Certificate of Need shall be granted unless the action proposed in the application for such Certificate is necessary to provide needed health care in the area to be served, can be economically accomplished and maintained, and will contribute to the orderly development of health care." The three (3) criteria are further defined in Agency Rule 0720-4-.01. Further standards for guidance are provided in the state health plan (Guidelines for Growth), developed pursuant to Tennessee Code Annotated §68-11-1625.

The following questions are listed according to the three (3) criteria: (I) Need, (II) Economic Feasibility, and (III) Contribution to the Orderly Development of Health Care. Please respond to each question and provide underlying assumptions, data sources, and methodologies when appropriate. Please type each question and its response on an 8 1/2" x 11" white paper. All exhibits and tables must be attached to the end of the application in correct sequence identifying the question(s) to which they refer. If a question does not apply to your project, indicate "Not Applicable (NA)."

QUESTIONS

NEED

1. Describe the relationship of this proposal toward the implementation of the State Health Plan and Tennessee's Health: Guidelines for Growth.
 - a. Please provide a response to each criterion and standard in Certificate of Need Categories that are applicable to the proposed project. Do not provide responses to General Criteria and Standards (pages 6-9) here.

Response:

Two items from the guidelines are applicable to this proposed ED expansion project:

3. *For renovation or expansions of an existing licensed health care institution:*
 - a. *The applicant should demonstrate that there is an acceptable existing demand for the proposed project.*
 - b. *The applicant should demonstrate that the existing physical plant's condition warrants major renovation or expansion.*

The response to these items is based on the number of visits to the ED at BMHM and the projections for BMHW as shown in the following table.

BMHM Pediatric ED Visits				Projected BMHW	
Year	2009	2010	2011	Year 1	Year 2
Patients	8,040	6,911	6,955	7,320	7,900

The proposed ED space is reasonable for the number of visits as presented in the table from the book *Emergency Department Design: A Practical Guide to Planning for the Future* published by the American College of Emergency Physicians. The Total area for the proposed ED is 6,988 sq feet. From the table the range for 10,000 annual visits is between 7,200 and 9,900 square feet.

The need and conservative reasonableness of the expansion is indicated in the following chart.

High and low range estimates for department areas and bed quantities.
(Reproduced courtesy of FreemanWhite, Inc.)

Projected Annual Visits	Department Gross Area Low Range Dept. Area	High Range Dept. Area	Bed Quantities Low Range Bed Quantity	Low Range Visits/Bed	High Range Bed Quantity	High Range Visits/Bed	Estimated Area/Bed	Estimated Observation/ Clinical Decision (Included in High Range Bed Quantities)
10,000	7,200 dgsf	9,900 dgsf	8	1,250	11	909	900 dgsf/bed	2-3 patient spaces
20,000	13,500 dgsf	17,100 dgsf	15	1,333	19	1,053	900 dgsf/bed	3-4 patient spaces
30,000	17,500 dgsf	22,750 dgsf	20	1,500	26	1,154	875 dgsf/bed	4-6 patient spaces
40,000	21,875 dgsf	28,875 dgsf	25	1,600	33	1,212	875 dgsf/bed	6-8 patient spaces
50,000	25,500 dgsf	34,000 dgsf	30	1,667	40	1,250	850 dgsf/bed	8-10 patient spaces
60,000	29,750 dgsf	39,950 dgsf	35	1,714	47	1,277	850 dgsf/bed	9-12 patient spaces
70,000	33,000 dgsf	44,550 dgsf	40	1,750	54	1,296	825 dgsf/bed	11-14 patient spaces
80,000	37,125 dgsf	50,325 dgsf	45	1,778	61	1,311	825 dgsf/bed	13-16 patient spaces
90,000	40,000 dgsf	54,400 dgsf	50	1,800	68	1,324	800 dgsf/bed	14-18 patient spaces
100,000	44,000 dgsf	60,000 dgsf	55	1,818	75	1,333	800 dgsf/bed	16-20 patient spaces
110,000	46,500 dgsf	63,550 dgsf	60	1,833	82	1,341	775 dgsf/bed	18-22 patient spaces
120,000	50,375 dgsf	68,975 dgsf	65	1,846	89	1,348	775 dgsf/bed	20-24 patient spaces
130,000	52,500 dgsf	72,000 dgsf	70	1,857	96	1,354	750 dgsf/bed	22-26 patient spaces
140,000	56,250 dgsf	77,250 dgsf	75	1,867	103	1,359	750 dgsf/bed	24-28 patient spaces
150,000	58,000 dgsf	79,750 dgsf	80	1,875	110	1,364	725 dgsf/bed	26-30 patient spaces

- b. Applications that include a Change of Site for a health care institution, provide a response to General Criterion and Standards (4)(a-c)

Response:

Not Applicable

2. Describe the relationship of this project to the applicant facility's long-range development plans, if any.

Response:

This project is consistent with the long range plan of BMHW and of BMHM to accommodate the health needs of the patient community it serves and to provide the highest quality, safety and service expectations.

3. Identify the proposed service area and justify the reasonableness of that proposed area. Submit a county level map including the State of Tennessee clearly marked to reflect the service area. **Please submit the map on 8 1/2" x 11" sheet of white paper marked only with ink detectable by a standard photocopier (i.e., no highlighters, pencils, etc.).**

Response:

A map is provided at Attachment Section C3. The Service Area is reasonable since it represents the origin of patients. The primary service area is Shelby, Tipton and Fayette counties in Tennessee.

4. A. Describe the demographics of the population to be served by this proposal.

Response:

The primary population served by this application is patients 18 years of age and younger.

- B. Describe the special needs of the service area population, including health disparities, the accessibility to consumers, particularly the elderly, women, racial and ethnic minorities, and low-income groups. Document how the business plans of the facility will take into consideration the special needs of the service area population.

Response:

The benefits of providing specialized dedicated services for a specific primary population cohort are explained in other responses in the application. The design of the emergency department will bring complex technology to pediatric patients in an environment focused on pediatrics.

5. Describe the existing or certified services, including approved but unimplemented CONs, of similar institutions in the service area. Include utilization and/or occupancy trends for each of the most recent three years of data available for this type of project. Be certain to list each institution and its utilization and/or occupancy individually. Inpatient bed projects must include the following data: admissions or discharges, patient days, and occupancy. Other projects should use the most appropriate measures, e.g., cases, procedures, visits, admissions, etc.

Response

Data on pediatric ED visits are not separated in the JAR for general hospitals. Methodist LeBonheur Children's Hospital Emergency Department utilization is provided in the following table.

Patients in LeBonheur Children's Medical Center

Year	2009	2010	2011
Presented	75,614	41,162	50,426
Treated	69,004	44,017	48,128

Data from HSDA equipment utilization for MRI units in Shelby, Tipton, Fayette and Desoto Counties are shown in the following Table.

6. Provide applicable utilization and/or occupancy statistics for your institution for each of the past three (3) years and the projected annual utilization for each of the two (2) years following completion of the project. Additionally, provide the details regarding the methodology used to project utilization. The methodology must include detailed calculations or documentation from referral sources, and identification of all assumptions.

BMHM Pediatric ED Visits				Projected BMHW	
Year	2009	2010	2011	Year 1	Year 2
Patients	8,040	6,911	6,955	7,320	7,900

ECONOMIC FEASIBILITY

1. Provide the cost of the project by completing the Project Costs Chart on the following page. Justify the cost of the project.
- All projects should have a project cost of at least \$3,000 on Line F. (Minimum CON Filing Fee). CON filing fee should be calculated from Line D. (See Application Instructions for Filing Fee)

Response

The Chart has been completed on the following page. The CON filing fee has been calculated from Line D.

- The cost of any lease (building, land, and/or equipment) should be based on fair market value or the total amount of the lease payments over the initial term of the lease, whichever is greater. Note: This applies to all equipment leases including by procedure or "per click" arrangements. The methodology used to determine the total lease cost for a "per click" arrangement must include, at a minimum, the projected procedures, the "per click" rate and the term of the lease.

Response

The Chart has been completed on the following page.

- The cost for fixed and moveable equipment includes, but is not necessarily limited to, maintenance agreements covering the expected useful life of the equipment; federal, state, and local taxes and other government assessments; and installation charges, excluding capital expenditures for physical plant renovation or in-wall shielding, which should be included under construction costs or incorporated in a facility lease.

Response

The Chart has been completed on the following page. The Chart includes maintenance agreements covering the equipment.

- For projects that include new construction, modification, and/or renovation; documentation must be provided from a contractor and/or architect that support the estimated construction costs.

Response

The Chart has been completed on the following page. Documentation from the firm of ESa is provided as **Attachment Section B, II,A.**

PROJECT COSTS CHART

2012 NOV 15 PM 4 23

A.	Construction and equipment acquired by purchase:	
1.	Architectural and Engineering Fees	<u>938,650</u>
2.	Legal, Administrative (Excluding CON Filing Fee), Consultant Fees	<u>65,520</u>
3.	Acquisition of Site	<u>0</u>
4.	Preparation of Site	<u>1,055,495</u>
5.	Construction Costs	<u>8,924,353</u>
6.	Contingency Fund	<u>940,162</u>
7.	Fixed Equipment (not included in Construction Contract)	<u>100,000</u>
8.	Moveable Equipment (List all equipment over \$50,000)	<u>1,939,321</u>
9.	Other (Specify) _____	<u>110,000</u>
B.	Acquisition by gift, donation, or lease:	
1.	Facility (inclusive of building and land)	<u>0</u>
2.	Building only	<u>0</u>
3.	Land only	<u>0</u>
4.	Equipment (Specify) _____	<u>0</u>
5.	Other (Specify) _____	<u>0</u>
C.	Financing Costs and Fees:	
1.	Interim Financing	<u>0</u>
2.	Underwriting Costs	<u>0</u>
3.	Reserve for One Year's Debt Service	<u>0</u>
4.	Other (Specify) _____	<u>0</u>
D.	Estimated Project Cost (A + B + C)	<u>\$ 14,073,501</u>
E.	CON Filing Fee	<u>\$ 31,740</u>
F.	Total Estimated Project Cost (D + E)	
	TOTAL	<u>\$ 14,105,241</u>

2. Identify the funding sources for this project.

Please check the applicable item(s) below and briefly summarize how the project will be financed. (*Documentation for the type of funding MUST be inserted at the end of the application, in the correct alpha/numeric order and identified as Attachment C, Economic Feasibility-2.*)

- ☐ A. Commercial loan--Letter from lending institution or guarantor stating favorable initial contact, proposed loan amount, expected interest rates, anticipated term of the loan, and any restrictions or conditions;
- ☐ B. Tax-exempt bonds--Copy of preliminary resolution or a letter from the issuing authority stating favorable initial contact and a conditional agreement from an underwriter or investment banker to proceed with the issuance;
- ☐ C. General obligation bonds—Copy of resolution from issuing authority or minutes from the appropriate meeting.
- ☐ D. Grants--Notification of intent form for grant application or notice of grant award; or
- ☒ E. Cash Reserves--Appropriate documentation from Chief Financial Officer.
- ☐ F. Other—Identify and document funding from all other sources.

3. Discuss and document the reasonableness of the proposed project costs. If applicable, compare the cost per square foot of construction to similar projects recently approved by the Health Services and Development Agency.

Response:

Total construction costs are \$8,924,353 (or \$238 PSF). The costs of the project are reasonable and compared to similar approved CON projects listed below.

CN1208-041 Methodist Healthcare- Memphis \$278 per sq ft

CN1105-018 Baptist Center for Cancer Care \$294 per sq ft

This application \$238 per sq ft

4. Complete Historical and Projected Data Charts on the following two pages--**Do not modify the Charts provided or submit Chart substitutions!** Historical Data Chart represents revenue and expense information for the last *three* (3) years for which complete data is available for the institution. Projected Data Chart requests information for the two (2) years following the completion of this proposal. Projected Data Chart should reflect revenue and expense projections for the ***Proposal Only*** (i.e., if the application is for additional beds, include anticipated revenue from the proposed beds only, not from all beds in the facility).

Response:

The charts are provided on the following pages.

5. Please identify the project's average gross charge, average deduction from operating revenue, and average net charge.

Response:

Emergency Department

Average Gross Charge	\$1011.00
Average Deduction from Operating Revenue	319.00
Average Net Charge	\$ 692.00

MRI

Average Gross Charge	\$3032.00
Average Deduction from Operating Revenue	2116.00
Average Net Charge	\$ 915.00

HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available to the facility or agency. The fiscal year begins in 2009 (Month) 15 19 23

	Year 2009	Year 2010	Year 2011
A. Utilization Date (Patient Days)	28,474	26,012	26,966
Utilization Date (Outpatient Visits)	48,119	45,743	43,216
B. Revenue from Services to Patients			
1. Inpatient Services	\$ 100,341,114	\$ 98,523,064	\$ 107,748,283
2. Outpatient Services	42,937,286	42,359,969	46,908,978
3. Emergency Services			
4. Other Operating Revenue (specify) _____	1,864,944	2,540,315	2,756,418
Gross Operating Revenue	\$ 145,143,344	\$ 143,423,348	\$ 157,413,679
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	74,183,546	74,699,928	87,151,153
2. Provision for Charity Care			
3. Provision for Bad Debt	2,182,327	1,796,205	2,112,465
Total Deductions	76,365,873	76,496,133	89,263,618
NET OPERATING REVENUE	\$ 68,777,471	\$ 66,927,215	\$ 68,150,061
D. Operating Expenses			
1. Salaries and Wages	37,563,569	36,607,650	38,032,757
2. Physician's Salaries and Wages			
3. Supplies	10,131,883	10,087,939	10,214,555
4. Taxes			
5. Depreciation	3,551,427	3,980,296	4,192,611
6. Rent			
7. Interest, other than Capital	690,136	1,689,024	1,771,274
8. Other Expenses (Specify) _____	13,101,891	13,319,615	13,013,764
Total Operating Expenses	\$ 65,038,906	\$ 65,684,524	\$ 67,224,961
E. Other Revenue (Expenses) - Net (Specify)	167,130	(269,141)	(507,268)
NET OPERATING INCOME (LOSS)			
F. Capital Expenditures			
1. Retirement of Principal			
2. Interest			
Total Capital Expenditures	0	0	0
NET OPERATING INCOME (LOSS)			
LESS CAPITAL EXPENDITURES	\$ 3,905,695	\$ 973,550	\$ 417,832

PROJECTED DATA CHART

Give information for the last two (2) years following the completion of this proposal.
The fiscal year begins 2012 NOV 15 PM 4:20 (Month)

	Year 2014	Year 2015
A. Utilization Date (Procedures)	357	370
Utilization Date (Outpatient Visits)	7838	8617
B. Revenue from Services to Patients		
1. Inpatient Services (MRI)	\$ 493,618	\$ 516,306
2. Outpatient Services	2,225,841	2,893,594
3. Emergency Services	7,336,298	7,923,202
4. Other Operating Revenue (specify) _____		
Gross Operating Revenue	\$ 10,055,757	\$ 11,333,102
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	6,921,453	7,771,822
2. Provision for Charity Care		
3. Provision for Bad Debt	150,836	169,997
Total Deductions	7,072,289	7,941,819
NET OPERATING REVENUE	\$ 2,983,468	\$ 3,391,283
D. Operating Expenses		
1. Salaries and Wages	2,007,928	2,201,964
2. Physician's Salaries and Wages		
3. Supplies	226,227	241,016
4. Taxes		
5. Depreciation	1,101,852	1,101,852
6. Rent		
7. Interest, other than Capital		
8. Other Expenses (Specify) _____	186,620	184,822
Total Operating Expenses	\$ 3,522,627	\$ 3,729,654
E. Other Revenue (Expenses) - Net (Specify)		
NET OPERATING INCOME (LOSS)		
F. Capital Expenditures		
1. Retirement of Principal		
2. Interest		
Total Capital Expenditures	0	0
NET OPERATING INCOME (LOSS)		
LESS CAPITAL EXPENDITURES	\$ (539,159)	\$ (338,371)

6. A. Please provide the current and proposed charge schedules for the proposal. Discuss any adjustment to current charges that will result from the implementation of the proposal. Additionally, describe the anticipated revenue from the proposed project and the impact on existing patient charges.

Response

Implementation of this project will not impact patient charges shown in the following table.

Level of Care	Charge
ER Level 1	\$247
ER Level 2	\$319
ER Level 3	\$524
ER Level 4	\$708
ER Level 5	\$1,455

- B. Compare the proposed charges to those of similar facilities in the service area/adjoining service areas, or to proposed charges of projects recently approved by the Health Services and Development Agency. If applicable, compare the proposed charges of the project to the current Medicare allowable fee schedule by common procedure terminology (CPT) code(s).

Response

A comparison with Methodist Healthcare-Memphis charges that were provided in CN1208-041 is shown below.

Level of Care	BMH-Memphis	Methodist - Memphis	Medicare Reimburse
ER Level 1	\$247	\$397	\$47.87
ER Level 2	\$319	\$463	\$82.37
ER Level 3	\$524	\$692	\$129.64
ER Level 4	\$708	\$1,126	\$208.5
ER Level 5	\$1,455	\$1,897	\$307.67

7. Discuss how projected utilization rates will be sufficient to maintain cost-effectiveness.

Response

The utilization will be sufficient to maintain cost effectiveness of providing pediatric services from a system perspective. Providing the service at BMHW will enhance the experience of being served in an environment dedicated to pediatric care. The option of finding ED service in the local community is more effective for families living in the service area.

8. Discuss how financial viability will be ensured within two years; and demonstrate the availability of sufficient cash flow until financial viability is achieved.

Response

As explained in other responses, BMHW is a campus of BMH-Memphis that is affiliated with Baptist Memorial Health Care Corporation. While it is anticipated that the services portrayed in this application will provide a positive financial contribution in the

fourth year of operation, cash flow issues in the interim will be supported through the system affiliation. Also, it should be noted that the Pediatric ED will result in utilization of other hospital services that are not reflected in the financial presentations. For example, the services and revenues that will result from inpatients that are admitted through the pediatric ED are not shown.

9. Discuss the project's participation in state and federal revenue programs including a description of the extent to which Medicare, TennCare/Medicaid, and medically indigent patients will be served by the project. In addition, report the estimated dollar amount of revenue and percentage of total project revenue anticipated from each of TennCare, Medicare, or other state and federal sources for the proposal's first year of operation.

Response

Source	Year 1	
	Gross	% Total
Medicaid	\$ 4,966,773	49%
Medicare	\$ 940,283	9%

10. Provide copies of the balance sheet and income statement from the most recent reporting period of the institution and the most recent audited financial statements with accompanying notes, if applicable. For new projects, provide financial information for the corporation, partnership, or principal parties involved with the project. Copies must be inserted at the end of the application, in the correct alpha-numeric order and labeled as Attachment C, Economic Feasibility-10.

Response

The Balance Sheets and Income Statements are provided as Attachment C Economic Feasibility 10.

11. Describe all alternatives to this project which were considered and discuss the advantages and disadvantages of each alternative including but not limited to:
- a. A discussion regarding the availability of less costly, more effective, and/or more efficient alternative methods of providing the benefits intended by the proposal. If development of such alternatives is not practicable, the applicant should justify why not; including reasons as to why they were rejected.

Response

One alternative was to keep the pediatric services in the BMHM Emergency Department. The BMHM ED is primarily filled with adult patients. The specialized needs of the pediatric population are being met but the environment cannot be focused on pediatrics. While the treatment rooms are dedicated, the waiting and support areas are shared in the larger environment.

Another alternative was to build a freestanding facility. However the benefits of using the ED as flexible space that can meet the needs of pediatric surgical outpatients and other needs would not have been realized. Support services would also have been duplicated in a freestanding location.

- b. The applicant should document that consideration has been given to alternatives to new construction, e.g., modernization or sharing arrangements. It should be documented that superior alternatives have been implemented to the maximum extent practicable.

Response

This proposed combination of new construction and renovation is the most feasible solution. It allows space to address pediatric patients as the cases shift throughout the day. Unused ED space can fulfill the ambulatory surgery functions in the mornings and the ED patient needs in the ED's busier evening hours.

CONTRIBUTION TO THE ORDERLY DEVELOPMENT OF HEALTH CARE

1. List all existing health care providers (e.g., hospitals, nursing homes, home care organizations, etc.), managed care organizations, alliances, and/or networks with which the applicant currently has or plans to have contractual and/or working relationships, e.g., transfer agreements, contractual agreements for health services.

Response

BMHW is a specialized hospital with relationships to entities throughout the Baptist system that include a Long Term Care Hospital, a Nursing Home and Home Care Organizations. BMH-Memphis also has working relationships with other providers throughout the region.

2. Describe the positive and/or negative effects of the proposal on the health care system. Please be sure to discuss any instances of duplication or competition arising from your proposal including a description of the effect the proposal will have on the utilization rates of existing providers in the service area of the project.

Response

This proposal will benefit pediatric patients, families and staff in providing an ED facility that will enhance provision of quality services in appropriate space dedicated to pediatric patient and family needs. The MRI equipment will provide a service for people with special focused needs served at the hospital. This project is not anticipated to have any significant negative impact on the Health Care system as a whole since these patients are currently seeking service at BMH-Memphis.

3. Provide the current and/or anticipated staffing pattern for all employees providing patient care for the project. This can be reported using FTEs for these positions. Additionally, please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

Response

<u>Service</u>		<u>Job Description</u>	<u>FTE's</u>	<u>Rate</u>
Nurses	2 per Shift	NURSE-REGISTERED	8.40	\$ 31.81
Pharmacist		PHARMACIST-CLINICAL STAFF	0.50	\$ 58.20
Pharmacy Tech		PHARMACY-TECHNICIAN II	0.50	\$ 19.51
Respiratory	1 per Shift	THERAPIST-RESPIRATORY REGISTER	4.20	\$ 23.51
Radiology		TECHNOLOGIST-RADIOLOGY	0.91	\$ 27.80
Radiology-MRI		TECHNOLOGIST-CT	1.00	\$ 27.80
Lab		TECHNOLOGIST-MEDICAL	0.52	\$ 29.51
Admissions		REPRESENTATIVE-ADMIS/CERTIFIED	3.67	\$ 13.88
EVS	1 per Shift	HOUSEKEEPER	4.20	\$ 11.42
Facilities	2nd Shift	MECHANIC	1.00	\$ 26.17
F&N		FSA II	2.00	\$ 11.53
Security	2nd/3rd Shift	SECURITY OFFICER	1.40	\$ 13.88
Case Manager		CASE MANAGER EXEMPT	1.07	\$ 30.00
Social Worker	2nd Shift	SOCIAL WORKER-CLINICAL	1.00	\$ 25.00
Business Office		REPRESENTATIVE-PATIENT FINANCE	1.20	\$ 15.30

4. Discuss the availability of and accessibility to human resources required by the proposal, including adequate professional staff, as per the Department of Health, the Department of Mental Health and Developmental Disabilities, and/or the Division of Mental Retardation Services licensing requirements.

Response

Since most staff are already actively involved, recruitment difficulties are not anticipated.

5. Verify that the applicant has reviewed and understands all licensing certification as required by the State of Tennessee for medical/clinical staff. These include, without limitation, regulations concerning physician supervision, credentialing, admission privileges, quality assurance policies and programs, utilization review *policies and programs, record keeping, and staff education.*

Response

BMHW is an established Joint Commission accredited hospital licensed by the Tennessee Department of Health. The facility understands requirements and regulations concerning physician supervision, credentialing, admission privileges, quality

assurance policies and programs, utilization review policies and programs, record keeping and staff education.

6. Discuss your health care institution's participation in the training of students in the areas of medicine, nursing, social work, etc. (e.g., internships, residencies, etc.).

Response

Baptist Memorial Health Care Corporation and BMHW are strong supporters of educational opportunities throughout the region. Baptist's Philosophy and Mission for the system states that, "... it seeks to ENCOURAGE, GUIDE, and INSTRUCT those individuals entering into professions related to the healing of the body, mind and spirit."

Baptist Memorial College of Health Sciences was chartered in 1994 as a specialized college offering baccalaureate degrees in nursing and in allied health sciences as well as continuing education opportunities for healthcare professionals.

The four year BHS degree includes radiology training in areas of radiation therapy, nuclear medicine, diagnostic medical services, and radiographic technology.

7. (a) Please verify, as applicable, that the applicant has reviewed and understands the licensure requirements of the Department of Health, the Department of Mental Health and Developmental Disabilities, the Division of Mental Retardation Services, and/or any applicable Medicare requirements.

Response

BMHW has reviewed and understands the licensure requirements of the Department of Health and applicable Medicare requirements.

- (b) Provide the name of the entity from which the applicant has received or will receive licensure, certification, and/or accreditation.

Licensure: Tennessee Department of Health

Accreditation: Joint Commission

- (c) If an existing institution, please describe the current standing with any licensing, certifying, or accrediting agency. Provide a copy of the current license of the facility.

Response

The current license is provided as an attachment.

- (d) For existing licensed providers, document that all deficiencies (if any) cited in the last licensure certification and inspection have been addressed through an approved plan of correction. Please include a copy of the most recent licensure/certification inspection with an approved plan of correction.

Response

The last completed licensure/certification survey with an approved plan of correction is included as an attachment.

8. Document and explain any final orders or judgments entered in any state or country by a licensing agency or court against professional licenses held by the applicant or any entities or persons with more than a 5% ownership interest in the applicant. Such information is to be provided for licenses regardless of whether such license is currently held.

Response

There are no final orders or judgments to report.

9. Identify and explain any final civil or criminal judgments for fraud or theft against any person or entity with more than a 5% ownership interest in the project

Response

There are no final civil or criminal judgments to report.

10. If the proposal is approved, please discuss whether the applicant will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

Response

BMHW will provide the Tennessee Health Services and Development Agency and/or the reviewing agency information concerning the number of patients treated, the number and type of procedures performed, and other data as required.

PROOF OF PUBLICATION

Attach the full page of the newspaper in which the notice of intent appeared with the mast and dateline intact or submit a publication affidavit from the newspaper as proof of the publication of the letter of intent.

Response

A page from the Commercial Appeal is provided.

DEVELOPMENT SCHEDULE

Tennessee Code Annotated § 68-11-1609(c) provides that a Certificate of Need is valid for a period not to exceed three (3) years (for hospital projects) or two (2) years (for all other projects) from the date of its issuance and after such time shall expire; provided, that the Agency may, in granting the Certificate of Need, allow longer periods of validity for Certificates of Need for good cause shown. Subsequent to granting the Certificate of Need, the Agency may extend a Certificate of Need for a period upon application and good cause shown, accompanied by a non-refundable reasonable filing fee, as prescribed by rule. A Certificate of Need which has been extended shall expire at the end of the extended time period. The decision whether to grant such an extension is within the sole discretion of the Agency, and is not subject to review, reconsideration, or appeal.

1. Please complete the Project Completion Forecast Chart on the next page. If the project will be completed in multiple phases, please identify the anticipated completion date for each phase.
2. If the response to the preceding question *indicates that the applicant does not anticipate completing the project within the period of validity as defined in the preceding paragraph*, please state below any request for an extended schedule and document the "good cause" for such an extension.

Legal Notices: General 526

applicable recorded plan; any unpaid taxes; and any restrictive covenants, easements, or self-back lines that may be applicable; any statutory right of redemption of any

governmental agency
state or federal; any pri-
liens or encumbrances a-
well as any priority
created by a fixture filing
and to any matter that a-

This sale is subject to a matters shown on any applicable recorded plat and unpaid taxes, and any restrictive covenants, easements or other interests in the property.

ments, or setback line that may be applicable any statutory right of redemption of any governmental agency, state or federal; any prior liens

encumbrances as well as any priority created by fixture filing; and to another matter that an accurate survey of the premises might disclose. In addition

the following parties may claim an interest in the above-referenced property:

SALE IS SUBJECT TO AN INTEREST THAT MAY EXIST IN UNRELEASED

EXIST IN UNRELEASED
DEED OF TRUST
RECORD AT FUB774,
THE REGISTER'S O
FICE OF SHELBY
COUNTY, TENNESSEE
SALE IS SUBJECT TO AN

INTEREST THAT MAY
EXIST IN UNRELEASED
JUDGMENT OF
RECORD AT INSTR
MENT NO. 05020474,
THE REGISTER'S OFFICE

FICE OF SHEL
 COUNTY, TENNESSEE
 SALE IS SUBJECT TO AN
 INTEREST THAT MAY
 EXIST IN UNRELEASED
 JUDGMENT (

RECORD AT INSTRUMENT NO. 09042587, THE REGISTER'S OFFICE OF SHELBY COUNTY, TENNESSEE. SALE IS SUBJECT TO AN INTEREST THAT MAY

INTEREST THAT MAY
EXIST IN UNRELEASED
DEPARTMENT OF JUSTICE
TICE LIEN OF RECORD
AT INSTRUMENT NO.
09053083, IN THE REG
TER'S OFFICE

SHELBY COUNTY, TENNESSEE.
All right of equity of redemption, statutory and otherwise, and homestead are expressly waived

said Deed of Trust, and title is believed to be good but the undersigned will sell and convey only Substitute Trustee. The right is reserved to

another day, time, place certain without further publication, upon announcement at the time and place for the sale forth above. If the bid

highest bidder cannot pay the bid within twenty-four hours of the sale, the next highest bidder, at the next highest bid, will be deemed the successful bidder.

This property is being sold with the express reservation that the sale is subject to confirmation by lender or trustee. This may be rescinded by

This office may be a collector. This may be an attempt to collect a debt and any information obtained may be used.

Shapiro & Kirsch,
LLP Substitute Trustees
www.kirschattorneys.com
Law Office of Shapiro &
Kirsch, LLP

555 Perkins Road Extension
Second Floor
Memphis, TN 38117
Phone (901) 767-5566
Fax (901) 761-5690
File No. 12-041606

Lost **55**

LOST IN AR 1-40 & HW
Exit 260, tri-colored F
Australian Shepherd
microchipped, \$500
REWARD 870-225-68
Yellow Gold Diamond

Earring. Bellevue Baptist Church/Germantown
REWARD!
Call Rex 674-6383

PROJECT COMPLETION FORECAST CHART

Enter the Agency projected Initial Decision date, as published in HC 23 § 68-11-1609(c):

2012 NOV 15 PM

Assuming the CON approval becomes the final agency action on that date, indicate the number of days from the above agency decision date to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
1. <u>Architectural and engineering contract signed</u>	_____	<u>02/2013</u>
2. <u>Construction documents approved by the Tennessee Department of Health</u>	_____	<u>04/2013</u>
3. <u>Construction contract signed</u>	_____	<u>04/2013</u>
4. <u>Building permit secured</u>	_____	<u>05/2013</u>
5. <u>Site preparation completed</u>	_____	<u>06/2013</u>
6. <u>Building construction commenced</u>	_____	<u>06/2013</u>
7. <u>Construction 40% complete</u>	_____	<u>01/2014</u>
8. <u>Construction 80% complete</u>	_____	<u>07/2014</u>
9. <u>Construction 100% complete (approved for occupancy)</u>	_____	<u>01/2015</u>
10. <u>*Issuance of license</u>	_____	<u>02/2015</u>
11. <u>*Initiation of service</u>	_____	<u>02/2015</u>
12. <u>Final Architectural Certification of Payment</u>	_____	<u>04/2015</u>
13. <u>Final Project Report Form (HF0055)</u>	_____	<u>06/2015</u>

* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.

Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

AFFIDAVIT

STATE OF Tennessee

2012 NOV 15 PM 4 23

COUNTY OF Shelby

Arthur Maples, being first duly sworn, says that he/she is the applicant named in this application or his/her/its lawful agent, that this project will be completed in accordance with the application, that the applicant has read the directions to this application, the Rules of the Health Services and Development Agency, and T.C.A. § 68-11-1601, *et seq.*, and that the responses to this application or any other questions deemed appropriate by the Health Services and Development Agency are true and complete.

Arthur Maples

SIGNATURE/TITLE

Sworn to and subscribed before me this 13th day of November, 2012 a Notary
(Month) (Year)

Public in and for the County/State of Tennessee.



Mary J. Suarez
NOTARY PUBLIC

My commission expires _____,
(Month/Day) (Year)

My Commission Expires:
February 15, 2016

INDEX OF ATTACHMENTS

Organizational Documentation	Section A-3
Organizational Chart	Section A-4
Deed	Section A-6
Plot Plan	Section B, III, A (1)
Floor Plan	Section B, IV
Service Area Map	Section C, 3
Architect Letter and Equipment Quotes	Economic Feasibility 1
Chief Financial Officer Letter	Economic Feasibility 2(E)
Balance Sheet and Income Statements	Economic Feasibility, 10
License	Orderly Development 7 (c)
State Survey/Inspection	Orderly Development 7 (d)

Organizational Documentation

Section A-3



STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **BAPTIST MEMORIAL HEALTH CARE CORPORATION**

General Information

SOS Control # :	128385	Formation Locale:	TENNESSEE
Filing Type:	Corporation Non-Profit - Domestic	Date Formed:	05/09/1983
Filing Date:	05/09/1983 4:30 PM	Fiscal Year Close	9
Status:	Active		
Duration Term:	Perpetual		
Public/Mutual Benefit:	Public		

Registered Agent Address

GREGORY M DUCKETT
350 N HUMPHREYS BLVD
MEMPHIS, TN 38120-2177

Principal Address

350 N HUMPHREYS BLVD
MEMPHIS, TN 38120-2177

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
10/12/2012	2012 Annual Report	7103-0893
09/23/2011	2011 Annual Report	6941-2690
10/15/2010	2010 Annual Report	6782-2915
04/26/2010	Articles of Amendment	6711-2301
	Registered Agent # Changed From: 0190668 To: 0312846	
	Registered Agent Middle Name Changed From: No Value To: M	
	Registered Agent Physical Postal Code Changed From: 381202177 To: 38120	
10/20/2009	2009 Annual Report	6613-2022
10/23/2008	2008 Annual Report	6391-2700
10/24/2007	2007 Annual Report	6150-0954
11/20/2006	2006 Annual Report	5892-0854
10/19/2005	2005 Annual Report	5587-1020
12/01/2004	2004 Annual Report	5291-1477
10/01/2003	2003 Annual Report	4924-0472
12/17/2002	2002 Annual Report	4677-0268

Principal Address Changed

Filing Information

Name: BAPTIST MEMORIAL HEALTH CARE CORPORATION

Registered Agent Physical Address Changed		
07/31/2002	Administrative Amendment	4565-1576
Mail Address Changed		
01/16/2002	2001 Annual Report	4395-2186
12/29/2000	2000 Annual Report	4074-1542
11/12/1998	CMS Annual Report Update	3583-0813
Registered Agent Changed		
Fiscal Year Close Changed		
12/12/1995	Articles of Amendment	3084-1140
12/12/1995	Articles of Amendment	3084-1141
10/19/1995	Articles of Amendment	3066-2230
Name Changed		
06/07/1993	CMS Annual Report Update	2699-2552
Fiscal Year Close Changed		
05/03/1993	Articles of Amendment	2688-0735
Name Changed		
05/09/1983	Initial Filing	394 00630
Active Assumed Names (If any)		<div>Date</div> <div>Expires</div>



STATE OF TENNESSEE
Tre Hargett, Secretary of State
Division of Business Services
William R. Snodgrass Tower
312 Rosa L. Parks AVE, 6th FL
Nashville, TN 37243-1102

Filing Information

Name: **BAPTIST MEMORIAL HOSPITAL**

General Information

SOS Control # :	59948	Formation Locale:	TENNESSEE
Filing Type:	Corporation Non-Profit - Domestic	Date Formed:	03/29/1924
Filing Date:	03/29/1924 4:30 PM	Fiscal Year Close	9
Status:	Active		
Duration Term:	Perpetual		
Public/Mutual Benefit:	Public		

Registered Agent Address
GREG DUCKETT
350 N HUMPHREYS BLVD
MEMPHIS, TN 38120-2177

Principal Address
6019 WALNUT GROVE RD
MEMPHIS, TN 38120-2113

The following document(s) was/were filed in this office on the date(s) indicated below:

Date Filed	Filing Description	Image #
10/12/2012	2012 Annual Report	7103-0880
	Principal Postal Code Changed From: 38120 To: 38120-2113	
09/23/2011	2011 Annual Report	6941-2675
10/15/2010	2010 Annual Report	6782-2906
08/09/2010	Assumed Name Renewal	6753-2741
	Assumed Name Changed From: BAPTIST MEMORIAL HOSPITAL-MEMPHIS To: BAPTIST MEMORIAL HOSPITAL-MEMPHIS	
	Expiration Date Changed From: 08/09/2010 To: 08/09/2015	
08/09/2010	Assumed Name Renewal	6753-2742
	Assumed Name Changed From: BAPTIST MEMORIAL HOSPITAL-COLLIERVILLE To: BAPTIST MEMORIAL HOSPITAL-COLLIERVILLE	
	Expiration Date Changed From: 08/09/2010 To: 08/09/2015	
08/09/2010	Assumed Name Renewal	6753-2743
	Assumed Name Changed From: BMH-MEMPHIS To: BMH-MEMPHIS	
	Expiration Date Changed From: 08/09/2010 To: 08/09/2015	
08/09/2010	Assumed Name Renewal	6753-2744
	Assumed Name Changed From: BMH-COLLIERVILLE To: BMH-COLLIERVILLE	

Filing Information

Name: **BAPTIST MEMORIAL HOSPITAL**

Expiration Date Changed From: 08/09/2010 To: 08/09/2015	
10/20/2009 2009 Annual Report	6613-2030
11/07/2008 Assumed Name Change	6397-2378
10/23/2008 2008 Annual Report	6391-2716
10/09/2008 Assumed Name	6388-1626
08/08/2008 Merger - Survivor	6361-0663
Merged Control # Changed From: 000407601	
Merged Control # Changed From: 000059948	
10/24/2007 2007 Annual Report	6150-0963
11/20/2006 2006 Annual Report	5892-0832
10/19/2005 2005 Annual Report	5587-0994
08/09/2005 Assumed Name	5529-0246
08/09/2005 Assumed Name	5529-0247
08/09/2005 Assumed Name	5529-0248
08/09/2005 Assumed Name	5529-0249
12/01/2004 2004 Annual Report	5291-1455
10/01/2003 2003 Annual Report	4924-0462
12/17/2002 2002 Annual Report	4677-0263
Principal Address Changed	
Registered Agent Physical Address Changed	
07/31/2002 Administrative Amendment	4565-1576
Mail Address Changed	
01/16/2002 2001 Annual Report	4395-2163
Mail Address Changed	
12/29/2000 2000 Annual Report	4074-1546
Registered Agent Changed	
11/10/1999 CMS Annual Report Update	3764-3500
Principal Address Changed	
06/06/1997 Merger - Survivor	3346-2343
Merged Control # Changed From: 000059948	
Merged Control # Changed From: 000139755	
10/11/1996 Amended and Restated Formation Documents	3228-1590
Registered Agent Changed	
09/28/1995 Articles of Amendment	3059-1360
03/14/1995 CMS Annual Report Update	2974-1046
Fiscal Year Close Changed	

Filing Information

Name: BAPTIST MEMORIAL HOSPITAL

02/02/1991 Administrative Amendment	FYC/REVENUE
Fiscal Year Close Changed	
01/07/1991 Restated Formation Documents	2030-0514
Registered Agent Physical Address Changed	
01/04/1991 Administrative Amendment	2026-1921
Fiscal Year Close Changed	
06/16/1990 Administrative Amendment	FYC/REVENUE
Fiscal Year Close Changed	
08/03/1982 Articles of Amendment	307 01007
Name Changed	
Principal Address Changed	
07/30/1982 Restated Formation Documents	307 01007
03/29/1924 Initial Filing	BB02P0123

Active Assumed Names (if any)

	Date	Expires
BMH-MEMPHIS	08/09/2005	08/09/2015
BMH-COLLIERVILLE	08/09/2005	08/09/2015
BAPTIST MEMORIAL HOSPITAL-MEMPHIS	08/09/2005	08/09/2015
BAPTIST MEMORIAL HOSPITAL-COLLIERVILLE	08/09/2005	08/09/2015
BAPTIST MEMORIAL HOSPITAL FOR WOMEN	10/09/2008	10/09/2013

Restated Charter of Baptist Memorial Hospital

Pursuant to the provisions of Section 48-60-106 of the Tennessee Nonprofit Corporation Act, the undersigned corporation adopts the following restated charter:

1. The name of the corporation is Baptist Memorial Hospital.
2. The duration of the corporation is perpetual.
3. The address of the principal office of the corporation in the State of Tennessee shall be 899 Madison Avenue, Memphis, Shelby County, Tennessee 38146.
4. The street address and zip code of the corporation's registered office is:
899 Madison Avenue
Memphis, Tennessee 38146
5. The corporation's registered office is located in Shelby County, Tennessee.
6. The name of the corporation's registered agent at that office is Charles R. Baker.
7. The corporation is a public benefit corporation.
8. The corporation is not-for-profit.
9. The purpose or purposes for which the corporation is organized are charitable, educational, religious and scientific, for the general welfare and not-for-profit, and particularly relating to the various aspects of hospital and health care and education, including the prevention of illness and disease and the treatment and care of persons who are ill, infirm or injured, in line with the traditional and ongoing mission of the Baptist churches affiliated through their State Baptist Conventions in Arkansas, Mississippi and Tennessee with the Southern Baptist Convention as now known and practiced among Baptists.
10. The corporation is authorized to establish, maintain and conduct hospitals, clinics, home health care organizations, rehabilitation centers, health maintenance organizations, hospices, nursing homes, nursing and other schools, educational organizations and

related institutions; to acquire, own, lease, manage, operate, conduct, provide services to, affiliate with and generally deal with such organizations, and real and personal property, equipment and materials related thereto, and any other supporting business entities or units, facilities and activities deemed to be appropriate in connection therewith and permitted by the Tennessee Nonprofit Corporation Act, including the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, contributions to which are deductible under Section 170(c)(2) of said Code or corresponding provisions of any future United States internal revenue law. Notwithstanding any other provisions hereof, however, the corporation shall not carry on activities not permitted to be carried on by a corporation exempt under the said Section 501(c)(3) of the Internal Revenue Code, contributions to which are deductible under Section 170(c)(2) of said Code or corresponding provisions of any future United States internal revenue law. No part of any net earnings of the corporation shall inure to the benefit of any private shareholder or individual; and no substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office.

11. The governing body of the corporation shall be a Board of Directors of not less than 3 nor more than 12 persons, as shall be set out in the bylaws. The directors shall be chosen, and their terms of office and manner of filling vacancies determined, by the sole member, Baptist Memorial Health Care System, Inc., a Tennessee not for profit corporation established under the authority of the said Arkansas, Mississippi and Tennessee Baptist Conventions.

12. In the event of the dissolution of the corporation and after paying or providing for payment of all liabilities of the corporation, the residual assets of the corporation shall be distributed to Baptist Memorial Health Care System, Inc. if at the time it qualifies as an exempt organization under Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986, or corresponding provisions of any future United States internal revenue law. If for any reason Baptist Memorial Health Care System, Inc. shall not then qualify as such exempt organization then the assets shall be distributed equally to and among the said Arkansas, Mississippi and Tennessee Baptist Conventions, provided that they then qualify as exempt organizations

under Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986 or corresponding provisions of any future United States internal revenue law. If for any reason the said Baptist Conventions do not then so qualify for exemption, or otherwise cannot receive such assets, then the assets shall be distributed to one or more organizations as may be selected which do so qualify, for exclusively charitable, educational, religious and/or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or corresponding provisions of any future United States internal revenue law.

Dated: December 10, 1990.

BAPTIST MEMORIAL HOSPITAL

By: _____
Joseph H. Powell, President

Bylaws

of

Baptist Memorial Hospital

CHAPTER I

Section 1: *Name.* The name of this Institution shall be Baptist Memorial Hospital.

Section 2: *Principal Office.* The principal office of Baptist Memorial Hospital shall be 899 Madison Avenue, Memphis, Tennessee.

Section 3: *General Purposes.* The primary purpose of Baptist Memorial Hospital is to provide hospital and related health services, education, and scientific research in accordance with Christian principles as set out in the Charter of Incorporation, in line with the mission of the sole member, Baptist Memorial Health Care System, Inc.

CHAPTER II

Section 1: *Board of Directors.* The governing body of Baptist Memorial Hospital is its Board of Directors. The Board is responsible for operating the hospital within the scope of authority prescribed by the member. No delegation of authority by the Board of Directors to any other body or group shall preclude the Board from rescinding such delegation.

Section 2: *Appointment of Directors.* The Board of Directors of Baptist Memorial Hospital shall consist of twelve (12) persons who shall be appointed and who may be removed with or without cause by the member, Baptist Memorial Health Care System, Inc. Three (3) of the directors shall be residents of Arkansas, three (3) shall be residents of Mississippi, three (3) shall be residents of Tennessee, and three (3) shall be members of the Active Medical Staff of Baptist Memorial Hospital.

Section 3: *Terms of Office.* The terms of office of the directors of the Hospital shall be one year, unless otherwise determined by the member.

Section 4: *Vacancy.* In the event of the death, resignation or removal of a director, the vacancy shall be filled by the member.

Section 5: *Quorum.* A majority of the directors shall constitute a

quorum for the transaction of business. Proxies, in writing to the Chairman or Secretary of the Board of Directors, will be recognized only when such are necessary to form a quorum. The Board of Directors, or any committee thereof, may authorize or take action upon unanimous written consent to the same extent such action could be taken at a regular or special called meeting at which the directors were present in session, in accordance with Tennessee law.

Section 6: *Meetings.* The Board of Directors shall hold an annual meeting on the third Tuesday in January, or at such other time as may be fixed by the Board. The general officers of the Board shall be nominated and elected at the annual meeting.

Regular meetings of the Board of Directors will be held in accordance with a schedule to be adopted by the Board.

Special meetings may be called by the Chairman of the Board, the Vice Chairman in his absence, or by any five (5) members of the Board of Directors for the purpose of transacting any business, provided that notice of the time, place and purpose of the special meeting is mailed to the last known address of each director at least five (5) days preceding the date of the special meeting. Such notice may be waived by the directors.

All meetings of the Board of Directors shall be held at the headquarters of the corporation or at other locations when authorized by the Board. The Board and its committees are authorized to hold executive sessions.

CHAPTER III

Section 1: *Officers of the Board of Directors.* The general officers of the Board of Directors shall be a Chairman and three (3) Vice-Chairmen. Each officer shall be a member of the Board of Directors.

Section 2: *Term of Office.* The general officers shall serve until the next annual meeting or until their successors are elected and take office.

Section 3: *Chairman.* The Chairman shall preside at all meetings of the Board, manifest an interest in the general operations of the hospital and its allied agencies, and perform duties customarily assigned to the Chairman. He shall be an ex-officio member of all committees of the Board.

Section 4: *Vice-Chairmen.* In the event of the absence or disability of the Chairman, a Vice-Chairman shall be designated to carry out his duties.

CHAPTER IV

Section 1: *Committees of the Board.* The Board of Directors may authorize the formation of committees consisting of two or more persons, and may delegate appropriate authority to such committees as permitted under the Tennessee Nonprofit Corporation Act. In forming such committees, the Board shall give title to them, specify the qualifications for membership, prescribe the procedure for appointment and outline the duties and responsibilities thereof. The committees so formed shall be described in administrative regulations of the hospital.

Section 2: *Administrative Regulations.* The Board of Directors shall adopt Administrative Regulations. These shall exist in complementary manner to the Charter and Bylaws for the purpose of guiding the Board of Directors, its committees, and the President of the hospital in the implementation of their duties and responsibilities. The particular provisions shall derive from the Charter and Bylaws of the Baptist Memorial Health Care System, Inc., the Charter and Bylaws of Baptist Memorial Hospital, and actions and interpretations by the Board of Directors of the Hospital.

Section 3: *President.* The member shall appoint the President of Baptist Memorial Hospital. The President shall be the chief executive officer of the Hospital. The President shall have the necessary authority and responsibility for the management of the Hospital in its various activities and for the carrying out of the policies and resolutions of the Board. The President shall facilitate communications between the Hospital (governing body, administration, medical staff) and other health care delivery organizations that are corporately and functionally related.

The President shall periodically develop and submit to the Board or its authorized committee(s) plans and/or reports respecting hospital operations, personnel and corporate organization, professional services, budgets and financial information, communications with related health care delivery organizations, together with such other reports as the Board requests. In addition to the authority to select, employ, determine the compensation of and discharge hospital personnel generally, and to establish personnel policies and practices, the President is further authorized to select, employ, and discharge such Vice-Presidents, a corporate Secretary, and other administrative officers as he deems necessary or appropriate to assist in carrying out his duties. The President shall cause minutes of the meetings of the Board of Directors to be prepared and maintained on file as the Board may direct.

The President shall be guided by the principle that it is not in the best interest of the hospital to do business with business organizations in which a member of the Board of Directors, administrative staff or department head may have a substantial interest; or employ relatives (immediate families) of members of the Board of Directors, administrative staff and department heads. Exceptions may be made by express approval of the Board of Directors.

Section 4: *Auxiliaries*. In the formation of any auxiliary groups, the Board of Directors shall approve the purposes and bylaws of these groups in order to assure the consistency of the existence of these groups with the purposes of the hospital.

CHAPTER V

Section 1: *Funds*. The funds of the hospital shall be maintained in such accounts as deemed appropriate by the Board of Directors. Authorization for withdrawal of funds from these accounts shall be signed by two persons who shall be employees of the hospital who have been designated for this purpose by the Board of Directors.

Section 2: *Gifts*. Except where the hospital has agreed to accept a gift for a restricted purpose, all gifts shall be deemed to have been received for the purpose of the general development of the hospital.

Section 3: *Audit*. The Board of Directors shall name an audit firm whose duties shall include the making of an audit each year as of September 30th. Any State Convention desiring an additional audit may make such audit at its own expense.

Section 4: *Agents*. The Board of Directors is authorized to employ such agents as it deems appropriate.

Section 5: *Long Term Debt*. The Hospital shall not incur long term debt without the approval of the member.

CHAPTER VI

Section 1: *Medical Staff*. The Board of Directors shall cause to be named a Medical Staff of the hospital, and approve the organization of the Medical Staff. The Medical Staff organization functions as an integral part of the hospital corporation. Through its department chairmen, committees and officers, the Medical Staff is accountable and responsible to the Board of Directors for the discharge of those duties and responsibilities delegated to it by the Board, including the quality of medical care practiced in the hospital. With respect to the quality of medical care and other pertinent matters, the Board of Directors shall meet regularly (at least quarterly) with representatives

of the Medical Staff Executive Committee (generally the President, Secretary, and Chief of Staff, or others designated by the President of the Medical Staff) for appropriate communications and to receive recommendations and reports pertaining to Medical Staff functions and responsibilities. In addition, the Board of Directors may establish committees consisting of directors, members of the medical staff, and members of the administrative staff to perform designated duties outlined in the Medical Staff Constitution and Bylaws and the Hospital Bylaws, and to facilitate further communication between the Board, the Medical Staff, and Administration as indicated on matters of mutual interest.

The Medical Staff is responsible to the Board of Directors for the development, adoption, and periodic review of a Constitution and Bylaws of the Medical Staff to include procedures and requirements for medical staff appointment, advancement, credentialing, discipline, organization, and other functions. The Constitution and Bylaws of the Medical Staff and any changes therein shall require approval of the Board of Directors before becoming official. In all events the Board of Directors as the governing body shall have final authority in determining the staff appointment and privileges granted to practitioners and in this capacity shall be the final authority respecting the appeal procedure. The Board specifically reserves the authority to take any direct action it deems appropriate with respect to the right to practice or exercise privileges in the hospital. Action taken by the Board in such cases may, but need not, follow the procedures outlined in the Constitution and Bylaws of the Medical Staff; however, any Board action based upon competence or professional conduct that would result in a reduction of clinical privileges, suspension of clinical privileges (except for a period of up to 14 days for investigative purposes), revocation of staff appointment or denial of reappointment shall entitle the affected practitioner to a hearing and appeal as outlined in the Constitution and Bylaws of the Medical Staff except that members of the hearing body shall be appointed by the Chairman of the Board and may consist entirely of directors.

The hospital has the authority to enter into contracts or employment relations with physicians for the performance of certain services, including exclusive contracts for medical services when deemed to be appropriate. All physicians functioning pursuant to such contracts or employment relationships shall obtain and maintain Medical Staff appointment and the pertinent clinical privileges necessary to perform the particular services, which shall be processed as described in the Constitution and Bylaws of the Medical Staff. If a question arises

concerning clinical competence or clinical privileges during the term of the contract, that question shall be processed in the same manner as would pertain to any other Medical Staff appointee. If a modification of privileges or appointment resulting from such action is sufficient to prevent the physician from adequately performing his contractual duties, the contract shall automatically terminate. Clinical privileges or medical staff appointment resulting from a contract or employment arrangement shall be valid only during the term thereof. In the event that the contract or employment arrangement expires or is terminated, the clinical privileges and Medical Staff appointment resulting from the contract or employment shall automatically expire at the time the contract or employment expires or terminates. This expiration of clinical privileges and Medical Staff appointment or the termination or expiration of the contract itself, shall not entitle the physician to any hearing or appeal, unless there is a specific provision to the contrary in the contract. In the event that only a portion of the physician's clinical privileges are covered by the contract or employment, only that portion shall be affected by the expiration or termination of the contract or employment. Specific contractual or employment terms shall in all cases be controlling in the event that they conflict with provisions of the Constitution and Bylaws of the Medical Staff.

Section 2: *Quality and Risk Management.* The Board of Directors shall cause to be developed and shall support quality and risk management functions for the hospital. Responsibility for the conduct of these functions is delegated to the Medical Staff and the President of the Hospital. Each level of the organization (e.g. medical staff, nursing, clinical support services, etc.) is responsible and accountable to the Board of Directors for the quality of care provided within its respective range of services and/or clinical privileges through established reporting relationships. Monitoring and evaluation of the quality of patient care and of risks of patient injury associated with care shall be performed and reported to the Board through the hospital-wide quality and risk management programs.

CHAPTER VII

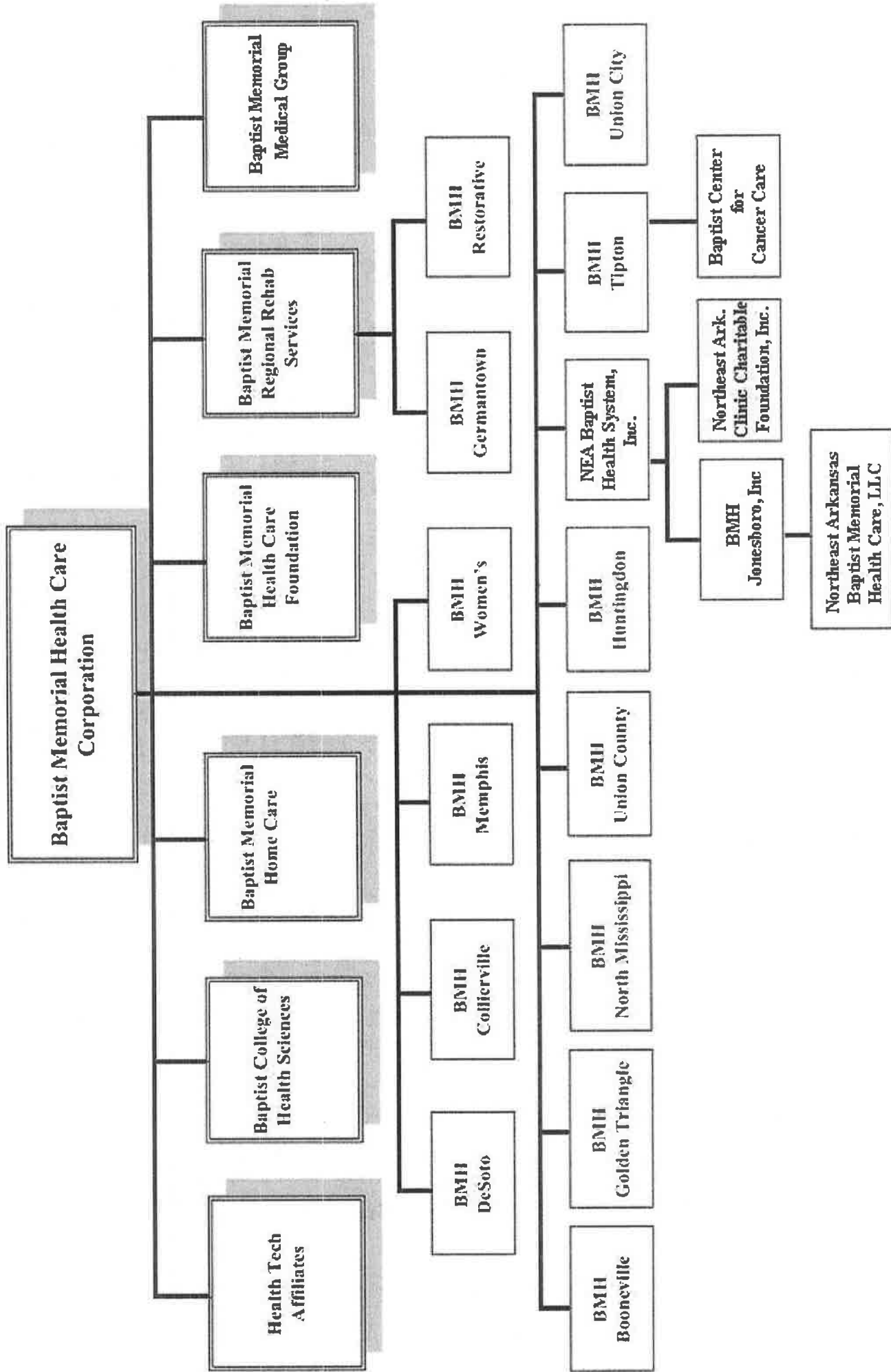
Section 1: *Amendments to Bylaws.* These bylaws may be amended in accordance with the provisions of the Tennessee Nonprofit Corporation Act, and with approval of the member.

Section 2: *Miscellaneous.* Pronouns of any gender used herein shall include the other genders.

Organizational Chart

Section A-4

Baptist Memorial Health Care System Memphis, Tennessee



Oct 27 00 09:23a

OCT.27.2000 9:24AM HARRIS SHELTON-EAST

NO.676 P.2/5

P.3

JV 9598

I hereby swear or affirm that to the best of affiant's knowledge, information, and belief, the actual consideration for this transfer is \$0.

Donald R. Pender
Affiant

Subscribed and sworn to before me this 11th day of November, 1999.

Mary J. Suarez
Notary Public

My Commission Expires:
September 12, 2000

Property owned by:

Baptist Memorial Hospital
899 Madison Avenue
Memphis, TN 38103

Tax Parcel No.: 080-008-433

Mail Tax Bills To:

Baptist Memorial Hospital
899 Madison Avenue
Memphis, TN 38103

Property Address:

Vacant Land

Prepared by and return to:
M. Anderson Cobb, Jr., Attorney
Harris, Shelton, Dunlap and Cobb, P.L.L.C.
6363 Poplar Avenue, Suite 430
Memphis, TN 38119



EXHIBIT "A"

JV 9598

Description of part of the BIC-WH Partnership, Ltd., property recorded in Instrument No. Y6-2456 and Instrument No. Y6-2458 and being part of Parcel I, Outline Plan Humphreys Boulevard P.D. recorded in Plat Book 108, Page 26 and being Parcel One, Phase Twelve, Humphreys Boulevard P.D. recorded in Plat Book 130, Page 28 and being Parcel I, Phase Nine, Humphreys Boulevard P.D. recorded in Plat Book 131, Page 54 in Memphis, Tennessee.

Beginning at a set 1/2" rebar with plastic cap in the southwest line of Humphreys Boulevard (106" R.O.W.), said point being the southeast corner of Phase Five, Humphreys Boulevard P.D. recorded in Plat Book 138, Page 66; thence south 26 degrees 58 minutes 46 seconds east with the southwest line of said Humphreys Boulevard 28.97 feet to a point of curve; thence southeastwardly on a curve to the left having a radius of 5053.00 feet, delta angle of 08 degrees 20 minutes 29 seconds chord distance of 734.99 feet, chord bearing of south 32 degrees 01 minutes 28 seconds east and with the southwest line of said Humphreys Boulevard a curve distance of 735.64 feet to a point, said point being the northeast corner of Parcel One, Phase Twelve, Humphreys Boulevard P.D. recorded in Plat Book 130, page 28; thence southeastwardly on a curve to the left having a radius of 5053.00 feet, delta angle of 01 degrees 09 minutes 45 seconds, chord distance of 102.53 feet, chord bearing of south 36 degrees 46 minutes 35 seconds east and with the southwest line of said Humphreys Boulevard a curve distance of 102.53 feet to a point, said point being the most eastwardly southeast corner of said Parcel One, Phase Twelve, Humphreys Boulevard P.D. recorded in Plat Book 130, Page 28; thence westwardly with the south line of said Parcel One, Phase Twelve, Humphreys Boulevard P.D. recorded in Plat Book 130, Page 28 the following calls: northwestwardly on a curve to the left having a radius of 24.00 feet, delta angle of 89 degrees 19 minutes 23 seconds, chord distance of 33.74 feet, chord bearing of north 82 degrees 01 minutes 23 seconds west and a curve distance of 37.42 feet; south 53 degrees 18 minutes 55 seconds west 49.78 feet to a point; southwestwardly on a curve to the right having a radius of 135.00 feet, delta angle of 40 degrees 31 minutes 38 seconds, chord distance of 93.51 feet, chord bearing of south 73 degrees 34 minutes 41 seconds west, and a curve distance of 95.49 feet; north 86 degrees 09 minutes 30 seconds west, 79.52 feet to a set 1/2" rebar with a plastic cap; south 03 degrees 42 minutes 03 seconds west, 37.30 feet to a set 1/2" rebar with plastic cap in the south line of said property recorded in Instrument No. Y6-2456 and Instrument No. Y6-2458; thence north 86 degrees 09 minutes 30 seconds west with the south line of said property recorded in Instrument No. Y6-2456 and Instrument No. Y6-2458 and with the north line of the Goodwin Development Co., Inc. Property recorded in Instrument V1-3828 and with the north line of Lot 8A and 8B of Section A, Meadow Grove Farms Subdivision, Re-Subdivision of Lots 8 and 9 recorded in Plat Book 120, Page 88 and with the north line of Lot 7, Section A, Meadow Grove Farms Subdivision, recorded in Plat Book 80, Page 57 and with the north line of Lot 5 and Lot 6 of the Boyle Investment Company's Re-Subdivision of Lots 4, 5, 6 and 11, Meadow Grove Farms Subdivision, recorded in Plat Book 106, Page 27, 939.07 feet to a found concrete monument; thence north 57 degrees 49 minutes 40 seconds west with a southwest line of said property recorded in Instrument No. Y6-2456 and Instrument Y6-2458 and with the northeast line of Lot 45 and Lot 46, River Oaks P.D. Eighth Addition recorded in Plat Book 152, Page 44, 410.95 feet to a set 1/2" rebar with plastic cap in the east line of the Baptist Memorial Hospital East property recorded in Plat Book 147, Page 94; thence north 01 degrees 21 minutes 00 seconds east with the east line of said property recorded in Plat Book 147, Page 94, 350.70 feet to a found rebar in the south line of Humphreys Boulevard P.D. Phase XV, Parcel 1 recorded in Plat Book 136, Page 59; thence south 86 degrees 09 minutes 30 seconds east with the south line of said Humphreys Boulevard P.D., Phase XV, Parcel 1 recorded in Plat Book 136, Page 59 and crossing Humphreys Center Drive (Private Drive) and with the south line of Phase Five, Humphreys Boulevard P.D. recorded in Plat Book 138, Page 66, 470.48 feet to a point; thence eastwardly with the south line of said Phase Five, Humphreys Boulevard P.D. recorded in Plat Book 138, Page 66 the following calls: south 50 degrees 19 minutes 51

Oct 27 00 09:24a

OCT.27.2008 9:25AM HARRIS SHELTON-EAST

NO.676 P.5/5

P.6

JV 9598

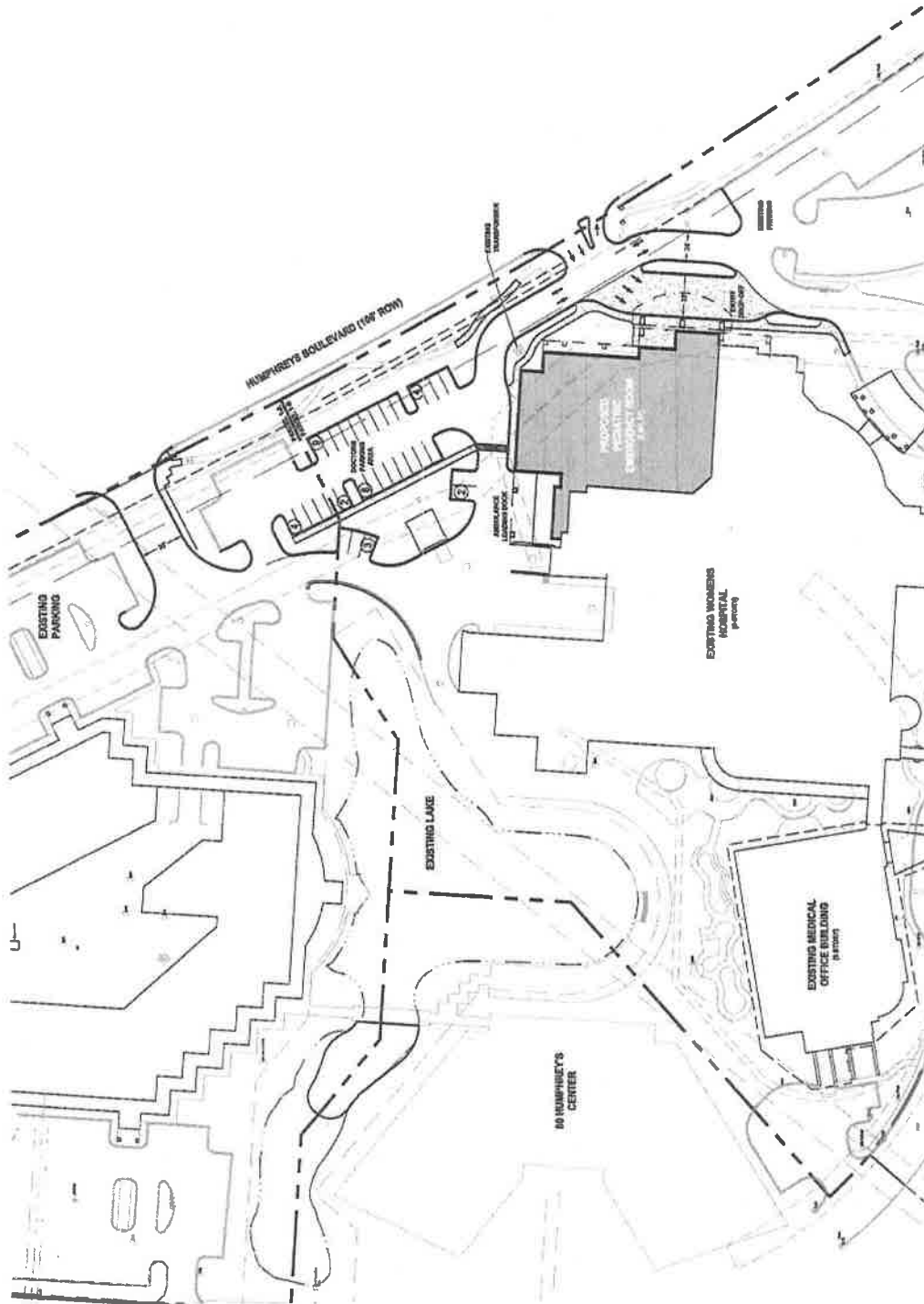
Title Transfer		JV 9598
S/C 2 - MAX RATE		
VALUATION	N/A	13
IN STATE TAX	N/A	
IN TRANSFER TAX	N/A	
RECORDING FEE		20.00
SP FEE		2.00
DEEDMASTER'S FEE	N/A	
TOTAL TAXES		22.00
TOTAL AMOUNT		22.00
STATE OF TENNESSEE, COUNTY OF SHELBY		
GARY B. BATES, CLERK		

JV9598

SHELBY COUNTY
REGISTER OF DEEDS
99 NOV 16 PM 1:58

Plot Plan

Section B, III, A (1)



BAPTIST MEMORIAL HOSPITAL
MEMPHIS, TENNESSEE

CONCEPTUAL SITE PLAN

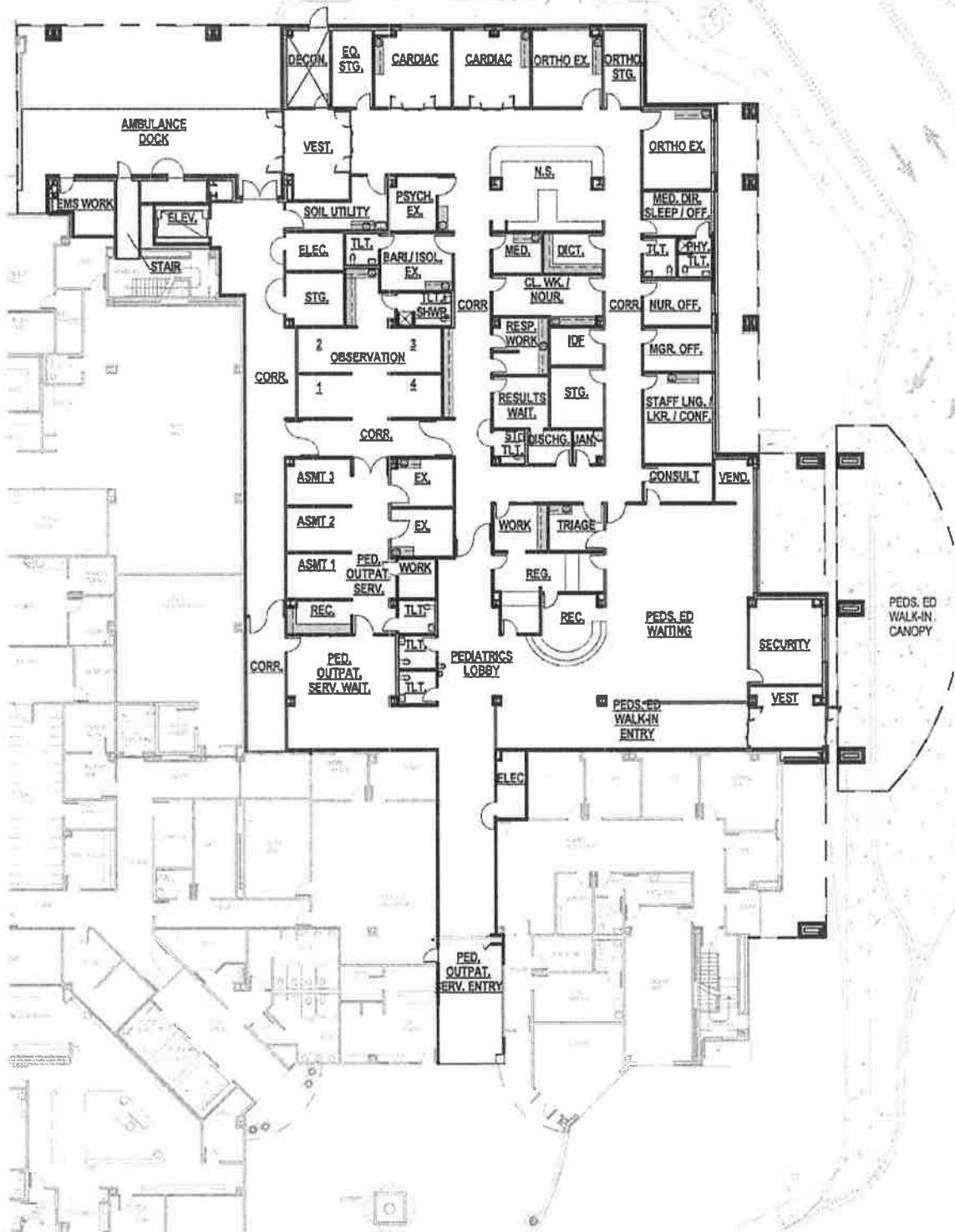
NOVEMBER 7, 2012

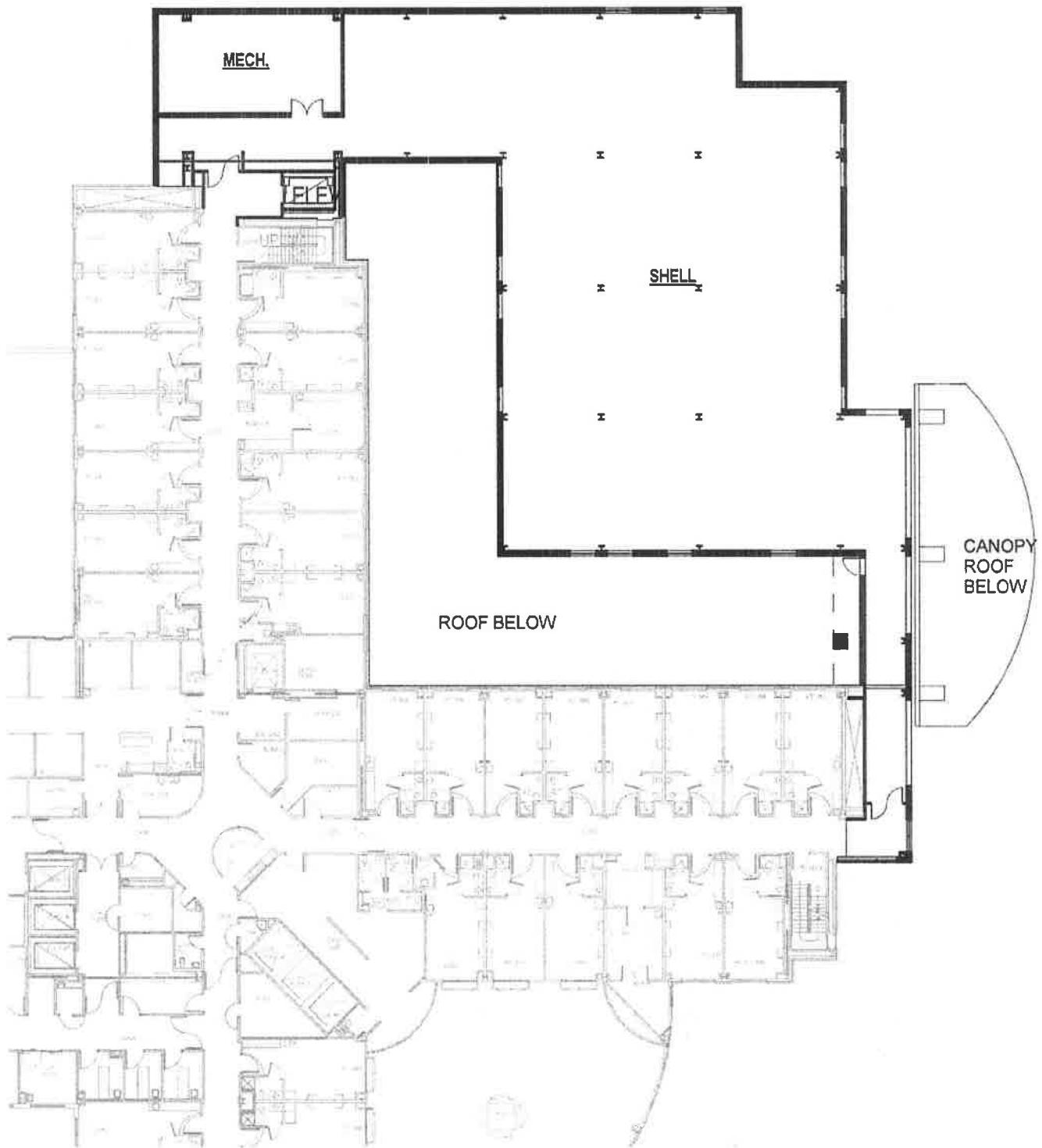
AAE, INC. (P&A) (S&M)

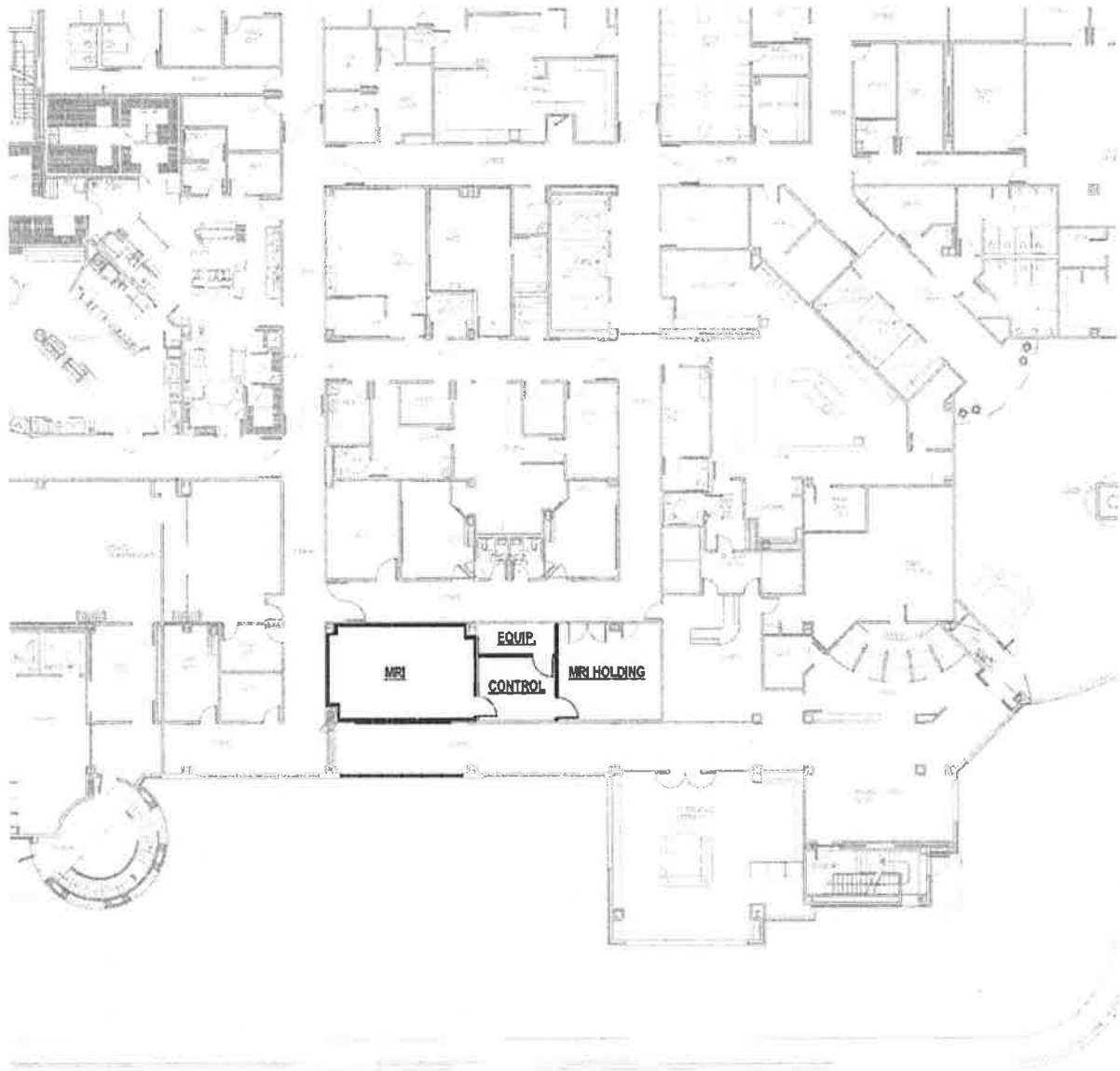
A2H

Floor Plan

Section B, IV

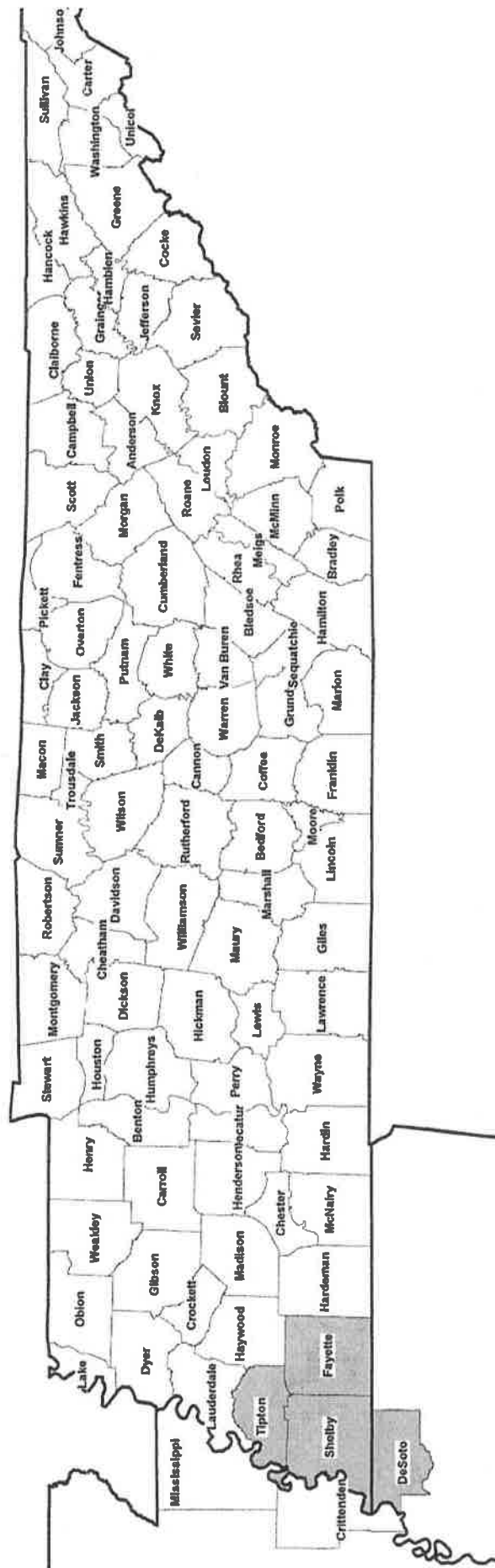






Service Area Map

Section C, 3



Architect Letter and Equipment Quotes

Economic Feasibility 1



Earl Swensson Associates, Inc.
richard l. miller, architect

Architecture

November 12, 2012

Ms. Melanie Hill
Executive Director
Tennessee Health Services and Development Agency
8th Floor – Andrew Jackson Building, Suite 850
Nashville, TN 37242

**RE: PEDIATRIC EMERGENCY DEPARTMENT ADDITION AND MRI ACQUISITION
BAPTIST MEMORIAL HOSPITAL FOR WOMEN**

Dear Ms. Hill:

This letter will denote that ESa has reviewed the site preparation and construction costs indicated as \$1,055,495 and \$8,924,353 for the referenced project and find the costs to be reasonable for the described scope of work. The construction costs have considered recent market conditions and inflation projections. We have also estimated Architectural and Engineering fees of \$938,650 for the project.

Thank you.

Sincerely,

EARL SWENSSON ASSOCIATES, INC.

A handwritten signature in black ink, reading 'Harold Petty', is positioned below the company name. The signature is written in a cursive, flowing style.

Harold D. Petty, AIA
Director of Medical Design/Principal



November 12, 2012

Ms. Melanie Hill
Executive Director
Tennessee Health Services and Development Agency
8th Floor – Andrew Jackson Building, Suite 850
Nashville, TN 37242

**RE: PEDIATRIC EMERGENCY DEPARTMENT ADDITION AND MRI ACQUISITION
BAPTIST MEMORIAL HOSPITAL FOR WOMEN**

Dear Ms. Hill:

This letter will affirm that to the best of our knowledge, the design intended for the construction of the referenced facility will be in accordance with the following primary codes and standards. This listing may not be entirely inclusive but the intent is for all applicable codes and standards, State or Local, to be addressed during the design process.

- AIA Guidelines for the Design and Construction of Healthcare Facilities
- Standard Building Code (current edition enforced at the time of plan submission)
- Standard Mechanical Code
- Standard Plumbing Code
- Standard Gas Code
- NFPA Life Safety Code
- Rules of Tennessee Department of Health and Environment Board for Licensing Healthcare Facilities
- Americans with Disabilities Act
- North Carolina Handicap Code

Thank you.

Sincerely,

EARL SWENSSON ASSOCIATES, INC.

Harold D. Petty, AIA
Director of Medical Design/Principal

J. F. Medical Imaging LLC.

Superior Pre-Owned Medical Imaging Systems

Date: November 8, 2012

Johnny Stanford and Baptist Memorial-Memphis
(901) 226-5000
6019 Walnut Grove Rd.
Memphis, TN. 38120

MRI

Dear Mr. Stanford,

J. F. Medical Imaging, LLC. is pleased to propose the following:
J. F. Medical Imaging, LLC. will pay \$ 100,000.00 for the equipment listed below:

GE CXK4 MRI with 11X Software and Full List of Coils

Please allow a 3 week notice for beginning of de-install.

Due to Sabbath De-installs will be unable to be performed on Fridays and Saturday Mornings.

SYSTEM TO BE AVAILABLE ON OR BEFORE January 31, 2013.

All available parts and components.

This offer is valid only with a signed PO for a GE Healthcare Replacement MRI.

This offer is valid until November 14, 2012.

J. F. Medical Imaging, LLC. will be responsible for De-install/Rigging/Removal of above said system and shall take possession of and responsibility for the system at the time that the De-install/Rigging/Removal commences.

(Rigging Must Be Less Than \$ 10,000.00 Each System.)

Facility will be responsible for any Cost of Construction to the properties for clear access to above system.

Upon Authorized Signature the Facility agrees that if IT sells above said system to another company not associated with J. F. Medical Imaging, LLC. Facility will pay J. F. Medical Imaging, LLC. 30% of the Offer Price listed above.

Facility or its agents will not disconnect any components with reference to above said system.

System is to be free of all liens and encumbrances.

System is to be fully operational upon de-install/removal.

System will be paid in full via wire/cashier's check prior to pick up.

(Authorized Signature)

Date

Sincerely,



Tim Meadows
CEO/President

Chief Financial Officer Letter

Economic Feasibility 2(E)

BAPTIST MEMORIAL HEALTH CARE CORPORATION

November 14, 2012

Ms Melanie Hill, Executive Director
Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, Tennessee 37243

RE: Baptist Memorial Hospital for Women
Pediatric Emergency Department Addition and MRI Acquisition

Dear Ms Hill:

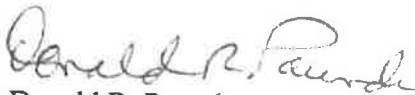
As the Chief Financial Officer of Baptist Memorial Health Care Corporation (BMHCC), I have reviewed the financial statements and requirements in the certificate of need application for the Pediatric Emergency Department addition and MRI acquisition that has an anticipated cost, for CON purposes, of approximately \$14,105,241. Funds to complete the project as described are available through BMHCC affiliated entities.

The proposed department will be owned and operated by Baptist Memorial Hospital for Women that is affiliated with Baptist Memorial Hospital - Memphis.

Financial statements have been provided for Baptist Memorial Hospital for Women that accurately reflect the operations as audited by Deloitte & Touche as part of the combined financial statements of Baptist Memorial Health Care Corporation. Also provided are financial statements demonstrating that Baptist Memorial Hospital - Memphis has the available resources to fund the project.

Please contact me if you need additional information.

Sincerely,



Donald R. Pounds
Chief Financial Officer

Balance Sheet and Income Statements

Economic Feasibility, 10

BMH-WOMENS
BALANCE SHEET
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009
CURRENT ASSETS:			
Cash and cash equivalents	4,785	4,745	4,245
Patient accounts receivable, net	8,230,825	7,703,967	5,984,306
Other Receivables	206,724	193,808	291,271
Third party settlements	301,718	294,618	300,518
Supplies, Inventory and Prepaid	850,028	844,634	791,875
Total current assets	<u>9,594,081</u>	<u>9,041,773</u>	<u>7,372,215</u>
INVESTMENTS			
PROPERTY AND EQUIPMENT, net	64,398,213	66,586,940	67,673,259
OTHER ASSETS			
TOTAL ASSETS	<u>73,992,293</u>	<u>75,628,713</u>	<u>75,045,474</u>
CURRENT LIABILITIES:			
Current portion-long-term debt & CLO			
Accounts payable	915,707	835,492	411,687
Due to affiliates	1,074,258	1,760,219	878,695
Third party settlements			
Accrued expenses and other current	3,440,359	3,512,482	3,082,833
Total current liabilities	<u>5,430,324</u>	<u>6,108,193</u>	<u>4,373,216</u>
LONG-TERM DEBT and CLO			
LONG-TERM DEBT to AFFILIATES	34,300,098	38,318,684	41,550,631
OTHER LONG-TERM LIABILITIES			
FUND BALANCE (DEFICIT)	<u>34,261,872</u>	<u>31,201,836</u>	<u>29,121,627</u>
TOTAL LIABILITIES & FUND BALANCE	<u>73,992,293</u>	<u>75,628,713</u>	<u>75,045,474</u>

2012 NOV 15 PM 4 24

BMH-WOMENS
STATEMENT OF REVENUES AND EXPENSES
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009
UNRESTRICTED REVENUES AND OTHER SUPPORT:			
Net patient service revenue	67,506,107	66,183,105	69,094,854
Other revenue	2,756,418	2,540,315	1,864,944
Total unrestricted revenues and other support	<u>70,262,525</u>	<u>68,723,420</u>	<u>70,959,797</u>
EXPENSES:			
Salaries and benefits	38,032,757	36,607,650	37,666,373
Supplies	10,214,555	10,087,939	10,131,883
Purchased Services and other	4,391,146	4,263,162	4,642,471
Management fees	6,113,328	6,335,196	5,974,728
Professional fees	2,050,646	1,992,810	1,783,529
Depreciation and amortization	4,192,611	3,980,296	3,551,427
Interest	1,771,274	1,689,024	690,136
Provision for bad debts	2,112,465	1,133,131	2,182,327
Total Expenses	<u>68,878,781</u>	<u>66,089,210</u>	<u>66,622,874</u>
NONOPERATING INCOME(EXPENSE):			
	<u>(507,268)</u>	<u>(269,141)</u>	<u>167,130</u>
REVENUES IN EXCESS OF EXPENSES			
	<u><u>876,476</u></u>	<u><u>2,365,069</u></u>	<u><u>4,504,054</u></u>

BMH-MEMPHIS
BALANCE SHEET
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
CURRENT ASSETS:				
Cash and cash equivalents	186,084,744	217,083,811	171,275,016	112,905,507
Patient accounts receivable, net	66,983,817	64,083,110	58,279,655	61,611,658
Other Receivables	15,210,227	15,191,387	14,305,077	12,664,414
Third party settlements	3,970,657	5,591,661	9,821,014	2,609,069
Supplies, Inventory and Prepaid	16,342,975	15,702,762	16,559,835	14,850,885
Total current assets	<u>288,592,420</u>	<u>317,652,731</u>	<u>270,240,596</u>	<u>204,641,533</u>
INVESTMENTS	<u>732,471</u>	<u>597,424</u>	<u>3,421,677</u>	<u>2,316,915</u>
PROPERTY AND EQUIPMENT, net	<u>197,690,647</u>	<u>199,796,666</u>	<u>209,555,994</u>	<u>211,242,758</u>
OTHER ASSETS	<u>115,813,276</u>	<u>129,261,495</u>	<u>138,340,478</u>	<u>150,128,204</u>
TOTAL ASSETS	<u><u>602,828,814</u></u>	<u><u>647,308,316</u></u>	<u><u>621,558,745</u></u>	<u><u>568,329,410</u></u>
CURRENT LIABILITIES:				
Current portion-long-term debt & CLO	15,235,000	14,630,000	13,640,000	12,775,000
Accounts payable	7,614,319	18,973,275	7,252,048	8,822,098
Due to affiliates	(1,713,670)	1,987,007	8,180,134	(9,835,959)
Third party settlements	4,591,585	2,391,096	2,391,096	6,002,218
Accrued expenses and other current	26,595,006	22,006,973	21,139,175	21,399,262
Total current liabilities	<u>52,322,240</u>	<u>59,988,351</u>	<u>52,602,453</u>	<u>39,162,618</u>
LONG-TERM DEBT and CLO	<u>131,872,732</u>	<u>147,322,892</u>	<u>159,780,000</u>	<u>173,420,000</u>
POST RETIREMENT BENEFIT OBLIGATION	<u>30,324,823</u>	<u>29,918,325</u>	<u>31,959,438</u>	<u>27,630,967</u>
OTHER LONG-TERM LIABILITIES	<u>2,138,048</u>	<u>2,170,941</u>	<u>2,203,834</u>	<u>2,236,727</u>
FUND BALANCE (DEFICIT)	<u>386,170,972</u>	<u>407,907,808</u>	<u>375,013,020</u>	<u>325,879,098</u>
TOTAL LIABILITIES & FUND BALANCE	<u><u>602,828,814</u></u>	<u><u>647,308,316</u></u>	<u><u>621,558,745</u></u>	<u><u>568,329,410</u></u>

BMH-MEMPHIS
STATEMENT OF REVENUES AND EXPENSES
12 MONTHS ENDED SEPTEMBER 30
Unaudited

	2011	2010	2009	2008
UNRESTRICTED REVENUES AND OTHER SUPPORT:				
Net patient service revenue	498,881,984	497,462,698	504,893,566	478,580,293
Other revenue	15,453,287	16,137,294	14,045,914	14,462,669
Total unrestricted revenues and other support	<u>514,335,271</u>	<u>513,599,992</u>	<u>518,939,481</u>	<u>493,042,962</u>
EXPENSES:				
Salaries and benefits	196,939,281	188,488,524	188,995,399	189,740,832
Supplies	130,154,044	127,655,043	130,515,438	124,247,206
Purchased Services and other	28,290,078	28,294,088	29,807,439	34,194,663
Management fees	48,849,348	44,558,976	42,187,353	43,849,019
Professional fees	22,407,905	20,595,504	19,217,441	18,813,225
Depreciation and amortization	23,906,837	22,969,303	23,103,058	23,471,138
Interest	952,715	908,476	128,800	1,119,466
Provision for bad debts	48,833,577	41,616,620	40,386,119	36,760,672
Total Expenses	<u>500,333,785</u>	<u>475,086,533</u>	<u>474,341,046</u>	<u>472,196,221</u>
NONOPERATING INCOME(EXPENSE):				
	<u>9,785,270</u>	<u>4,770,296</u>	<u>(186,094)</u>	<u>(233,444)</u>
REVENUES IN EXCESS OF EXPENSES				
	<u>23,786,756</u>	<u>43,283,754</u>	<u>44,412,340</u>	<u>20,613,297</u>



Deloitte & Touche LLP
100 Peabody Place
Suite 800
Memphis, TN 38103-0830
USA
Tel: +1 901 322 6700
Fax: +1 901 322 6799
www.deloitte.com

December 20, 2011

The Boards of Directors
Baptist Memorial Health Care Corporation and Affiliates
350 North Humphreys Boulevard
Memphis, Tennessee 38120

As set forth in our independent auditors' reports dated December 20, 2011, we have audited the combined financial statements of Baptist Memorial Health Care Corporation and the separate financial statements of certain affiliates (see Exhibit I) as of and for the year ended September 30, 2011. The objective of our audits was to express an opinion on those financial statements and, accordingly, we performed no procedures directed toward performing a separate financial statement audit of other affiliates of Baptist Memorial Health Care Corporation.

In connection with our audits, we advise you that:

1. We are independent under the requirements of the American Institute of Certified Public Accountants with respect to Baptist Memorial Health Care Corporation and its affiliates.
2. We expressed unqualified auditors' opinions on the financial statements of the entities referred to above.

We have not audited any financial statements of Baptist Memorial Health Care Corporation and its affiliates subsequent to September 30, 2011, or performed any audit procedures subsequent to the dates of our reports.

Deloitte & Touche LLP

EXHIBIT I

Certain affiliates of Baptist Memorial Health Care Corporation whose separate financial statements as of and for the year ended September 30, 2011 were audited by Deloitte & Touche LLP:

- Baptist Memorial College of Health Sciences
- Baptist Memorial Health Care Foundation
- Baptist Memorial Hospital — Union County

License

Orderly Development 7 (c)

Board for Licensing Health Care Facilities



State of Tennessee

No. of Beds 0927
0000000104

DEPARTMENT OF HEALTH

This is to certify, that a license is hereby granted by the State Department of Health to
BAPTIST MEMORIAL HOSPITAL
to conduct and maintain a

Hospital

BAPTIST MEMORIAL HOSPITAL

Located at

6019 WALNUT GROVE ROAD, MEMPHIS

County of

SHELBY

, Tennessee.

This license shall expire SEPTEMBER 01, 2013, *and is subject*
to the provisions of Chapter 11, Tennessee Code Annotated. This license shall not be assignable or transferable,
and shall be subject to revocation at any time by the State Department of Health, for failure to comply with the
laws of the State of Tennessee or the rules and regulations of the State Department of Health issued thereunder.

In Witness Whereof, we have hereunto set our hand and seal of the State this 1ST JULY, 2012.

GENERAL HOSPITAL
PEDIATRIC GENERAL HOSPITAL

In the District Category(ies) of:



By James T. Davis, MPH
DIRECTOR, DIVISION OF HEALTH CARE FACILITIES

By MAJ. D. D. D.
COMMISSIONER



The Joint Commission

September 8, 2011

Re: # 7869

CCN: #440048

Program: Hospital

Accreditation Expiration Date: September 11, 2014

Derick Ziegler
CEO
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, Tennessee 38120

Dear Mr. Ziegler:

This letter confirms that your June 06, 2011 - June 10, 2011 unannounced full resurvey was conducted for the purposes of assessing compliance with the Medicare conditions for hospitals through The Joint Commission's deemed status survey process.

Based upon the submission of your evidence of standards compliance on August 19, 2011 and August 12, 2011, the areas of deficiency listed below have been removed. The Joint Commission is granting your organization an accreditation decision of Accredited with an effective date of June 11, 2011. We congratulate you on your effective resolution of these deficiencies.

§482.11 Condition of Participation: Compliance with Federal, State and Local Laws
§482.23 Condition of Participation: Nursing Services
§482.24 Condition of Participation: Medical Record Services
§482.26 Condition of Participation: Radiologic Services
§482.41 Condition of Participation: Physical Environment

The Joint Commission is also recommending your organization for continued Medicare certification effective June 11, 2011. Please note that the Centers for Medicare and Medicaid Services (CMS) Regional Office (RO) makes the final determination regarding your Medicare participation and the effective date of participation in accordance with the regulations at 42 CFR 489.13. Your organization is encouraged to share a copy of this Medicare recommendation letter with your State Survey Agency.

This recommendation also applies to the following location(s):

Baptist Memorial Hospital
d/b/a Baptist Memorial Hospital - Memphis Campus
6019 Walnut Grove Road, Memphis, TN, 38120

Baptist Memorial Hospital - Collierville Campus
1500 West Poplar, Collierville, TN, 38017

www.jointcommission.org

Headquarters

One Renaissance Boulevard
Oakbrook Terrace, IL 60181
630 792 5000 Voice



The Joint Commission

Baptist Memorial Hospital for Women Mammography
4545 Poplar Avenue, Memphis, TN, 38117

Baptist Memorial Hospital for Women
6225 Humphreys Blvd., Memphis, TN, 38120

Baptist Rehab
440 Powell Road, Collierville, TN, 38017

Outpatient Rehab East
50 Humphreys Boulevard, Suite 36, Memphis, TN, 38120

Stern Cardiovascular Clinic Outpatient Diagnostics
8060 Wolf River Boulevard, Germantown, TN, 38138

Women's Health Center
50 Humphreys Boulevard, Suite 23, Memphis, TN, 38120

We direct your attention to some important Joint Commission policies. First, your Medicare report is publicly accessible as required by the Joint Commission's agreement with the Centers for Medicare and Medicaid Services. Second, Joint Commission policy requires that you inform us of any changes in the name or ownership of your organization, or health care services you provide.

Sincerely,

Ann Scott Blouin RN, PhD

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations

cc: CMS/Central Office/Survey & Certification Group/Division of Acute Care Services
CMS/Regional Office 4 /Survey and Certification Staff



The Joint Commission



Quality Check

Accreditation Quality Report

- > Summary of Accreditation Quality Information
- > Accredited Programs
- > Accreditation National Patient Safety Goals
- > Sites and Services
- > Accreditation History
- > Download Accreditation PDF Report
- > Download Accreditation PDF Report - Include Quarterly Data
- > Accreditation Quality Report User Guide
- > Organization's Commentary

Certification Quality Report

- > View Certification Quality Report

Quality Report

Summary of Quality Information

Accreditation Programs



Hospital

Accreditation Decision

Accredited

Effective Date

6/11/2011

Last Full Survey Date

6/10/2011

Last On-Site Survey Date

6/10/2011

Accreditation programs recognized by the Centers for Medicare and Medicaid Services (CMS)
Hospital

Advanced Certification Programs



Ventricular Assist Device

Certification Decision

Certification

Effective Date

5/21/2011

Last Full Review Date

5/20/2011

Last On-Site Review Date

5/20/2011

Certification programs recognized by the Centers for Medicare and Medicaid Services (CMS)
Ventricular Assist Device

Special Quality Awards

- 2011 Top Performers on Key Quality Measures™
- 2010 Silver - The Medal of Honor for Organ Donation
- 2009 ACS National Surgical Quality Improvement Program

- Top -

Symbol Key

- This organization achieved the best possible results
- This organization's performance is above the target range/value.
- This organization's performance is similar to the target range/value.
- This organization's performance is below the target range/value.
- This measure is not applicable for this organization.
- Not displayed

Footnote Key

1. The measure or measure set was not

National Patient Safety Goals and National Quality Improvement Goals

Compared to other Joint Commission Accredited Organizations

			Nationwide	Statewide
Hospital				*
2011 National Patient Safety Goals				
See Detail				
National Quality Improvement Goals:				
Heart Attack Care	See Detail			
Heart Failure Care	See Detail			
Perinatal Care	See Detail			
Pneumonia Care	See Detail			

- reported.
2. The measure set does not have an overall result.
 3. The number of patients is not enough for comparison purposes.
 4. The measure meets the Privacy Disclosure Threshold rule.
 5. The organization scored above 90% but was below most other organizations.
 6. The measure results are not statistically valid.
 7. The measure results are based on a sample of patients.
 8. The number of months with measure data is below the reporting requirement.
 9. The measure results are temporarily suppressed pending resubmission of updated data.
 10. Test Measure: a measure being evaluated for reliability of the individual data elements or awaiting National Quality Forum Endorsement.

Survey of Patients' Hospital Experiences (see details)

Hospitals voluntarily participate in the Survey of Patients' Hospital Experiences (HCAHPS). Pediatric and psychiatric hospitals are not eligible to participate in the HCAHPS survey based on their patient population.



The Joint Commission only reports measures endorsed by the National Quality Forum.

* State results are not calculated for the National Patient Safety Goals.

- Top -

Sites and Services

* Primary Location

An organization may provide services not listed here. For more information refer to the [Quality Report User Guide](#).

Locations of Care

Baptist Memorial Hospital *
6019 Walnut Grove Road
Memphis, TN 38120

Available Services

Joint Commission Advanced Certification Programs:

- Ventricular Assist Device

Services:

- Audiology (Inpatient, Outpatient)
- Bone Marrow Transplant (Inpatient)
- Cancer Center/Oncology (Inpatient, Outpatient)
- Cardiac Catheterization Lab (Inpatient, Outpatient)
- Cardiac Surgery (Inpatient, Outpatient)
- Cardiac Unit/Cardiology (Inpatient, Outpatient)
- CT Scanner (Inpatient, Outpatient)
- Dentistry (Inpatient, Outpatient)
- Dermatology (Inpatient, Outpatient)
- Dialysis (Inpatient)
- EEG/EKG/EMG Lab (Inpatient, Outpatient)
- Emergency Room (Outpatient)
- Endocrinology (Inpatient, Outpatient)
- Family Practice (Inpatient, Outpatient)
- Gastroenterology (Inpatient, Outpatient)
- General Medical Services (Inpatient, Outpatient)
- General Surgery (Inpatient, Outpatient)
- GI or Endoscopy Lab (Inpatient, Outpatient)
- Gynecology (Inpatient, Outpatient)
- Hematology/Blood Treatment (Inpatient, Outpatient)
- Imaging/Radiology (Inpatient, Outpatient)
- Infectious Diseases (Inpatient, Outpatient)
- Infusion Therapy (Inpatient, Outpatient)
- Intensive Care Unit (Inpatient)
- Internal Medicine (Inpatient, Outpatient)
- Lithotripsy/Kidney Stone Treatment (Inpatient, Outpatient)
- Magnetic Resonance Imaging (Inpatient, Outpatient)
- Nephrology (Inpatient,
- Neurology (Inpatient, Outpatient)
- Neurosurgery (Inpatient)
- Nuclear Medicine (Inpatient, Outpatient)
- Operating Room (Inpatient, Outpatient)
- Ophthalmology/Eye Surgery (Inpatient, Outpatient)
- Oral Maxillofacial Surgery (Inpatient, Outpatient)
- Orthopedic Surgery (Inpatient, Outpatient)
- Otolaryngology/Ear, Nose, and Throat (Inpatient, Outpatient)
- Outpatient Surgery (Outpatient)
- Pain Management (Inpatient, Outpatient)
- Pediatric Care (Inpatient, Outpatient)
- Plastic Surgery (Inpatient, Outpatient)
- Podiatry (Inpatient, Outpatient)
- Post Anesthesia Care Unit (PACU) (Inpatient, Outpatient)
- Pulmonary Function Lab (Inpatient, Outpatient)
- Radiation Oncology (Inpatient, Outpatient)
- Rehabilitation and Physical Medicine (Inpatient, Outpatient)
- Respiratory Care (Ventilator) (Inpatient)
- Rheumatology (Inpatient, Outpatient)
- Skilled Nursing Facility (Inpatient)
- Subacute Care (Inpatient)
- Telemetry (Inpatient)
- Thoracic Surgery (Inpatient)
- Ultrasound (Inpatient, Outpatient)
- Urgent Care/Emergency Medicine (Outpatient)
- Urology (Inpatient, Outpatient)
- Vascular Surgery (Inpatient, Outpatient)
- Wound Care (Inpatient, Outpatient)

Outpatient)

Baptist Memorial Hospital -
Collierville Campus
1500 West Poplar
Collierville, TN 38017

- Acute Coronary Syndrome (Inpatient, Outpatient)
- Amyotrophic Lateral Sclerosis (Inpatient, Outpatient)
- Arthritis (Inpatient)
- Asthma (Inpatient, Outpatient)
- Asthma, Pediatrics (Inpatient, Outpatient)
- Atrial Fibrillation (Inpatient)
- Benign prostatic hyperplasia (BPH) (Inpatient)
- Bipolar disorder (Outpatient)
- Breast Cancer (Inpatient, Outpatient)
- Cardiac Unit/Cardiology (Inpatient)
- Cellulitis (Inpatient, Outpatient)
- Cervical Spine Treatment (Inpatient, Outpatient)
- Chronic Kidney Disease (Inpatient, Outpatient)
- Chronic Obstructive Pulmonary Disease (Inpatient, Outpatient)
- Coagulopathy Treatment (Inpatient, Outpatient)
- Colon/Rectal Cancer (Inpatient, Outpatient)
- Coronary Artery Disease (Inpatient, Outpatient)
- CT Scanner (Inpatient, Outpatient)
- Diabetes Mellitus (Inpatient, Outpatient)
- Dialysis (Inpatient)
- EEG/EKG/EMG Lab (Inpatient)
- Emergency Room (Outpatient)
- End Stage Renal Disease (Inpatient, Outpatient)
- Family Practice (Inpatient)
- Finger Joint Replacement (Inpatient, Outpatient)
- Gastroenterology (Inpatient)
- Gastroesophageal Reflux Disease (Inpatient, Outpatient)
- General Medical Services (Inpatient)
- General Surgery (Inpatient)
- GI or Endoscopy Lab (Inpatient)
- Head Injury (Inpatient, Outpatient)
- Health and Wellness (Outpatient)
- Heart Failure (Inpatient, Outpatient)
- Hematology/Blood Treatment (Inpatient)
- Hemophilia (Inpatient, Outpatient)
- Hip Joint Replacement (Inpatient, Outpatient)
- HIV/AIDS (Inpatient, Outpatient)
- Hyperbilirubinemia (Inpatient, Outpatient)
- Hyperlipidemia (Inpatient, Outpatient)
- Hypertension (Inpatient, Outpatient)
- Hyperthyroidism/Hypothyroidism (Inpatient, Outpatient)
- Imaging/Radiology (Inpatient, Outpatient)
- Infectious Diseases (Inpatient)
- Infusion Therapy (Inpatient, Outpatient)
- Intensive Care Unit (Inpatient)
- Internal Medicine (Inpatient)
- Joint Replacement - Shoulder (Inpatient)
- Laminectomy (Inpatient, Outpatient)
- Liver Diseases (Inpatient, Outpatient)
- Low Back Pain (Inpatient, Outpatient)
- Lumbar Spine Treatment (Inpatient, Outpatient)
- Lung Cancer (Inpatient)
- Magnetic Resonance Imaging (Inpatient, Outpatient)
- Microdiscectomy (Inpatient, Outpatient)
- Migraine Headache (Inpatient, Outpatient)
- Multiple Sclerosis (Inpatient, Outpatient)
- Nephrology (Inpatient)
- Neurology (Inpatient)
- Nuclear Medicine (Inpatient, Outpatient)
- Nutrition Programs (Inpatient, Outpatient)
- Occupational Health (Inpatient, Outpatient)
- Operating Room (Inpatient, Outpatient)
- Ophthalmology/Eye Surgery (Inpatient, Outpatient)
- Oral Maxillofacial Surgery (Inpatient, Outpatient)
- Orthopedic Surgery (Inpatient, Outpatient)
- Osteoporosis (Inpatient, Outpatient)
- Otolaryngology/Ear, Nose, and Throat (Inpatient, Outpatient)
- Outpatient Surgery (Outpatient)
- Pancreatitis (Inpatient, Outpatient)
- Pathology (Inpatient, Outpatient)
- Perimenopause (Inpatient, Outpatient)
- Pneumonia (Inpatient, Outpatient)
- Post Anesthesia Care Unit (PACU) (Inpatient, Outpatient)
- Pulmonary Function Lab (Inpatient, Outpatient)
- Rehabilitation and Physical Medicine (Inpatient, Outpatient)
- Respiratory Care (Ventilator) (Inpatient)
- Respiratory Failure (Inpatient, Outpatient)
- Rheumatology (Inpatient)
- Sexually Transmitted Disease (Inpatient, Outpatient)
- Sickle Cell Disease (Inpatient, Outpatient)
- Sleep Center (Outpatient)
- Sleeping Disorder (Outpatient)
- Spinal Fusion (Inpatient, Outpatient)
- Spine Care (Inpatient, Outpatient)
- Sports Medicine (Inpatient, Outpatient)
- Stroke Rehabilitation

- Interventional Radiology (Outpatient)
- Irritable Bowel Syndrome (Inpatient, Outpatient)
- Ischemic Heart Disease (Inpatient, Outpatient)
- Joint Replacement - Ankle (Inpatient)
- Joint Replacement - Finger (Inpatient)
- Joint Replacement - Knee (Inpatient, Outpatient)
- (Inpatient, Outpatient)
- Subacute Care (Inpatient)
- Telemetry (Inpatient)
- Thoracic Spine (Inpatient, Outpatient)
- Traumatic Brain Injury (Inpatient)
- Tuberculosis (Inpatient, Outpatient)
- Ultrasound (Inpatient, Outpatient)
- Urology (Inpatient, Outpatient)
- Vascular Disease (Inpatient, Outpatient)
- Vascular Surgery (Inpatient, Outpatient)
- Women's Health (Outpatient)
- Wound Care (Inpatient, Outpatient)

Baptist Memorial Hospital for Women Mammography
4545 Poplar Avenue
Memphis, TN 38117

- General Outpatient Services (Outpatient)

Baptist Memorial Hospital for Women
6225 Humphreys Blvd.
Memphis, TN 38120

- Audiology (Inpatient)
- CT Scanner (Inpatient, Outpatient)
- EEG/EKG/EMG Lab (Inpatient, Outpatient)
- General Medical Services (Inpatient)
- General Surgery (Inpatient, Outpatient)
- Gynecology (Inpatient)
- Hematology/Blood Treatment (Inpatient, Outpatient)
- Imaging/Radiology (Inpatient, Outpatient)
- Intensive Care Unit (Inpatient)
- Labor & Delivery (Inpatient)
- Neonatal Intensive Care (Inpatient)
- Nuclear Medicine (Inpatient, Outpatient)
- Nursery (Inpatient)
- Obstetrics (Inpatient)
- Operating Room (Inpatient, Outpatient)
- Outpatient Surgery (Outpatient)
- Plastic Surgery (Inpatient, Outpatient)
- Post Anesthesia Care Unit (PACU) (Inpatient, Outpatient)
- Respiratory Care (Ventilator) (Inpatient)
- Ultrasound (Inpatient, Outpatient)
- Urology (Inpatient, Outpatient)

Baptist Rehab
440 Powell Road
Collierville, TN 38017

- General Outpatient Services (Outpatient)

Outpatient Rehab East
50 Humphreys Boulevard, Suite 36
Memphis, TN 38120

- General Outpatient Services (Outpatient)

Stern Cardiovascular Clinic
Outpatient Diagnostics
8060 Wolf River Boulevard
Germantown, TN 38138

- Single Specialty Group Practice (Outpatient)

Women's Health Center
50 Humphreys Boulevard, Suite 23
Memphis, TN 38120

- General Outpatient Services (Outpatient)

- Top -

The Joint Commission obtains information about accredited/certified organizations not only through direct observations by its employees ...[Read more.](#)

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State Survey/Inspection

Orderly Development 7 (d)



STATE OF TENNESSEE
DEPARTMENT OF HEALTH
WEST TENNESSEE HEALTH CARE FACILITIES
781-B AIRWAYS BOULEVARD
JACKSON, TENNESSEE 38301-3203

Rec 10/29/07
Resp. 11/4/07

October 25, 2007

Mr. Jason Little, Administrator
Baptist Memorial Hospital
6019 Walnut Grove Road
Memphis, TN 38120

Dear Mr. Little:

Enclosed is the Statement of Deficiencies, which was developed as a result of the full survey after a complaint, completed at your facility on **October 18, 2007**.

You are requested to submit a **Credible Allegation of Compliance** within ten (10) days after date of this letter with acceptable time frames for correction of the cited deficiencies. Corrective action must be achieved no later than forty-five (45) days from the date of the survey. Please notify this office when these deficiencies are corrected. A revisit must be conducted prior to the forty-fifth (45th) day to verify compliance. Once corrective action is confirmed, a favorable recommendation for re-certification will be considered.

The following Conditions of Participation have been found to be out of compliance:

A385

482.23

Nursing Services

Also, the following eight (8) standard level deficiencies cited for noncompliance: A166, A168, A175, A395, A396, A459, A468, and A630.

Based on noncompliance with the aforementioned Conditions of Participation, this office is recommending to the CMS Regional Office and/or State Medicaid Agency that your provider agreement be terminated effective **January 18, 2008**, which is ninety (90) days from the date of the survey. Please be advised that under the disclosure of survey information provisions, the Statement of Deficiencies will be available to the public.

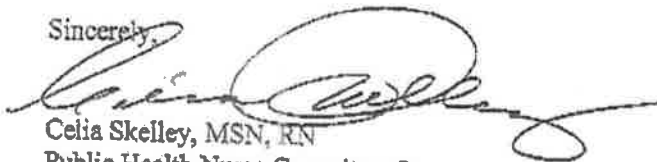
Your plan of correction must contain the following:

- How the deficiency will be corrected;
- How the facility will prevent the same deficiency from recurring.
- The date the deficiency will be corrected;
- How ongoing compliance will be monitored.

If there are any delays in completing your Plan of Correction, please notify this office in writing. Before the plan can be considered "acceptable," it must be signed and dated by the administrator.

Should you have questions or if there is any way this office may be of assistance, please do not hesitate to call 731-421-5113.

Sincerely,

A handwritten signature in black ink, appearing to read 'Celia Skelley', written over a horizontal line.

Celia Skelley, MSN, RN
Public Health Nurse Consultant 2

CS/TW

Enclosure

PRINTED: 12/22/2004
♦ FORM APPROVED
OMB NO. 0938-0391

LABORATORY DIRECTORS OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE	TITLE	DATE
----------------------------------------------------------------------	-------	------

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOSPITAL B. WING _____	(X3) DATE SURVEY COMPLETED C 8/21/07
-----------------------------------------------------	---------------------------------------------------------------------	-----------------------------------------------------------------------------------------	-----------------------------------------------

NAME OF PROVIDER OR SUPPLIER
BAPTIST MEMORIAL HOSPITAL

STREET ADDRESS, CITY, STATE, ZIP CODE
6019 Walnut Grove Road
Memphis, TN 38120

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
--------------------------	---------------------------------------------------------------------------------------------------------------------------------	---------------------	------------------------------------------------------------------------------------------------------------------------	----------------------------

health professionals, and hospital personnel
who assist with invasive procedures.

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: 440048	(X2) MULTIPLE CONSTRUCTION A. BUILDING BAPTIST MEMORIAL HOSPITAL 2012 NOV 15 PM 1:24L BUILDING		(X3) DATE SURVEY COMPLETED C 8/21/07
NAME OF PROVIDER OR SUPPLIER BAPTIST MEMORIAL HOSPITAL		STREET ADDRESS, CITY, STATE, ZIP CODE 6019 Walnut Grove Road Memphis, TN 38120		
(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS- REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
		A043 482.12	Performance Improvement Initially a 90-day focused review via direct observation on 30% of cases will be performed by OR staff. Following focused review, required elements will be monitored monthly and reported quarterly through Operative Invasive Committee and Performance Improvement Committee. These committee reports will be reported quarterly by the CEO to the governing board. The CEO will also in his monthly written report to the board provide any updates to the quality monitors. Policies and procedures (attachments D – K, L and M) have been amended in accordance with AORN, ACOS, ASA and CDC recommendations. These changes to policy and practice will be reported to the board in the monthly board report on September 20, 2007	To begin 9/4/07 9/20/07
	2. The governing body failed to ensure surgeons and anesthesiologists were accountable to the governing body and received the appropriate training to prevent patient injuries. Refer to A 0940 and A 1000	A043	Anesthesia Education Mandatory education for all anesthesia personnel on fire safety and anesthesia responsibility for the safety and security of patients in the operative setting has been completed. Anesthesia personnel will not be allowed to work without documented evidence of training. Compliance of education will be reported to the governing board on September 20, 2007. Contract Amendment The current anesthesia contract states the anesthesia group will "use currently accepted methods and practice of medicine, adhere to applicable standards of care, medical ethics, policies and anesthesia protocols and comply with the requirement and standard of Medicare, JCAHO and any other accrediting agencies designated by the hospital, as well as all applicable laws, rules and regulations." The board has approved the current contract. An executed amendment to the current anesthesia contract will be approved at the next board meeting in October 2007, which requires annual fire safety training for all anesthesia providers (attachment AF)	Completed 9/6/07 100% Staff Educated Completed 9/20/07 Completed 9/6/07 Final Approval 10/2007
		A043	Surgeon Education Surgeons credentialed at Baptist Memorial Hospital received education related to OR fire safety, patient rights and safe use of alcohol	

AFFIDAVIT

11 27

2012 NOV 30 AM 11 27

STATE OF TENNESSEE

COUNTY OF SHELBY

NAME OF FACILITY: Baptist Memorial Hospital for Women

I, ARTHUR MAPLES, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Arthur Maples
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 28th day of Nov, 2012, witness my hand at office in the County of Shelby, State of Tennessee.

Dr. W. L. Campbell
NOTARY PUBLIC

My commission expires My Comm. Exp. 9-11-2013

HF-0043

Revised 7/02





STATE OF TENNESSEE
HEALTH SERVICES AND DEVELOPMENT AGENCY

500 Deaderick Street
Suite 850
Nashville, Tennessee 37243
741-2364

December 3, 2012

Arthur Maples, Director Strategic Analysis
Baptist Memorial Health Care Corporation
350 N. Humphreys Blvd.
Memphis, TN 38120

RE: Certificate of Need Application -- Baptist Memorial Hospital for Women - CN1211-058

Dear Mr. Maples:

This is to acknowledge the November 30, 2012 receipt of supplemental information to your application for a Certificate of Need for the construction of an Emergency Department dedicated for pediatric patients and the initiation of Magnetic Resonance Imaging (MRI) services on the Baptist Women's campus. The project will involve 37,500 square feet of new construction. The project does not involve the addition of beds or any other service for which a Certificate of Need is required. The project cost is \$14,105,241.00.

Please be advised that your application is now considered to be complete by this office. Your application is being forwarded to the Tennessee Department of Health and/or its representative for review.

In accordance with Tennessee Code Annotated, §68-11-1601, et seq., as amended by Public Chapter 780, the 60-day review cycle for this project will begin on December 1, 2012. The first sixty (60) days of the cycle are assigned to the Department of Health, during which time a public hearing may be held on your application. You will be contacted by a representative from this Agency to establish the date, time and place of the hearing should one be requested. At the end of the sixty (60) day period, a written report from the Department of Health or its representative will be forwarded to this office for Agency review within the thirty (30)-day period immediately following. You will receive a copy of their findings. The Health Services and Development Agency will review your application on February 27, 2013.

Arthur Maples, Director Strategic Analysis
December 3, 2012
Page 2

Any communication regarding projects under consideration by the Health Services and Development Agency shall be in accordance with T.C.A. § 68-11-1607(d):

- (1) No communications are permitted with the members of the agency once the Letter of Intent initiating the application process is filed with the agency. Communications between agency members and agency staff shall not be prohibited. Any communication received by an agency member from a person unrelated to the applicant or party opposing the application shall be reported to the Executive Director and a written summary of such communication shall be made part of the certificate of need file.
- (2) All communications between the contact person or legal counsel for the applicant and the Executive Director or agency staff after an application is deemed complete and placed in the review cycle are prohibited unless submitted in writing or confirmed in writing and made part of the certificate of need application file. Communications for the purposes of clarification of facts and issues that may arise after an application has been deemed complete and initiated by the Executive Director or agency staff are not prohibited.

Should you have questions or require additional information, please contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Melanie M. Hill".

Melanie M. Hill
Executive Director

MMH:MAB


cc: Tere Hendricks, Director, Division of Health Statistics



STATE OF TENNESSEE
HEALTH SERVICES AND DEVELOPMENT AGENCY
500 Deaderick Street
Suite 850
Nashville, Tennessee 37243
741-2364

MEMORANDUM

TO: Tere Hendricks, Director
Office of Policy, Planning and Assessment
Division of Health Statistics
Cordell Hull Building, 6th Floor
425 Fifth Avenue North
Nashville, Tennessee 37247

FROM: 
Melanie M. Hill
Executive Director

DATE: December 3, 2012

RE: Certificate of Need Application
Baptist Memorial Hospital for Women - CN1211-058

Please find enclosed an application for a Certificate of Need for the above-referenced project.

This application has undergone initial review by this office and has been deemed complete. It is being forwarded to your agency for a sixty (60) day review period to begin on December 1, 2012 and end on February 1, 2013.

Should there be any questions regarding this application or the review cycle, please contact this office.

MMH:MAB

Enclosure

cc: Arthur Maples, Director Strategic Analysis



2012 NOV -9 AM 10:38

LETTER OF INTENT

TENNESSEE HEALTH SERVICES AND DEVELOPMENT AGENCY

The Publication of Intent is to be published in the Commercial Appeal which is a newspaper
(Name of Newspaper)

of general circulation in Shelby and other counties in, Tennessee, on or before November 10, 2012,
(County) (Month / day) (Year)

for one day.

=====

This is to provide official notice to the Health Services and Development Agency and all interested parties, in accordance with T.C.A. § 68-11-1601 *et seq.*, and the Rules of the Health Services and Development Agency, that: Baptist Memorial Hospital for Women, a satellite of Baptist Memorial Hospital a General Hospital owned by: Baptist Memorial Hospital with an ownership type of non-profit corporation and to be managed by Baptist Memorial Hospital for Women intends to file an application for a Certificate of Need application to construct an emergency department dedicated for pediatric patients and to initiate Magnetic Resonance Imaging (MRI) services on the Women's campus. The project will involve approximately 37,500 square feet of new construction. Baptist Memorial Hospital for Women is located at 6225 Humphreys Blvd, Memphis, TN 38120. The project does not involve the addition of beds or any other service for which a certificate of need is required. The estimated project cost, is approximately \$14,105,241.

The anticipated date of filing the application is: November 15, 2012

The contact person for this project is Arthur Maples Director Strategic Analysis
(Contact Name) (Title)

who may be reached at: Baptist Memorial Health Care Corporation 350 N Humphreys Blvd
(Company Name) (Address)

Memphis
(City)

TN
(State)

38120
(Zip Code)

901 / 227-4137
(Area Code / Phone Number)

Arthur Maples
(Signature)

11/5/2012
(Date)

arthur.maples@bmhcc.org
(E-mail Address)

=====

The Letter of Intent must be **filed in triplicate and received between the first and the tenth day of the month**. If the last day for filing is a Saturday, Sunday or State Holiday, filing must occur on the preceding business day. File this form at the following address: **Health Services and Development Agency**

**Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, Tennessee 37243**

=====

The published Letter of Intent must contain the following statement pursuant to T.C.A. § 68-11-1607(c)(1). (A) Any health care institution wishing to oppose a Certificate of Need application must file a written notice with the Health Services and Development Agency no later than fifteen (15) days before the regularly scheduled Health Services and Development Agency meeting at which the application is originally scheduled; and (B) Any other person wishing to oppose the application must file written objection with the Health Services and Development Agency at or prior to the consideration of the application by the Agency.

Copy

Supplemental #1

**Baptist Memorial Hospital for
Women**

CN1211-058

November 28, 2012

2:43pm

2012 NOV 28 PM 2 47

November 28, 2012

Mark A. Farber, Assistant Executive Director
Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, TN 37243

RE: Certificate of Need Application CN1211-058
Baptist Memorial Hospital for Women

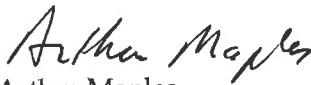
Dear Mr. Farber

Enclosed are the responses to the need for clarification or additional discussion on items in the CON application referenced above.

In addition, we are enclosing a revised page designated "R" which corrects a typographical in the original application. The change has been made to the number that is now shown in line 2 of the 2nd paragraph as 6,955.

Please contact me if you need additional information. Thank you for your attention.

Sincerely,


Arthur Maples
Dir. Strategic Analysis *by DWE*

Enclosure

The ED facility will be efficiently designed to control cost and maintain financial sustainability. For example, a portion of the department will serve pediatric ambulatory surgical cases at specified times during the day for admission, second stage recovery and discharge.

The ED visits at BMHW are projected to be 7,320 in year 1 and 7,900 in year 2. The ED at BMHM had 6,955 pediatric visits in FY 2011. Growth is anticipated due to several factors such as population and increasing use of the Womens Hospital by families with young children within the service area. The pediatric ED will also serve referrals from Baptist Memorial Health Care Corporation (BMHCC) hospitals especially those in the primary service area of Shelby, Tipton and Fayette counties in Tennessee and DeSoto County in Mississippi. BMHW expects growth in pediatric utilization to occur as the result of having a dedicated pediatric ED.

In addition to constructing the Pediatric ED, BMHW is proposing to acquire a Magnetic Resonance Imaging (MRI) unit. The hospital has periodically evaluated a need for an MRI. With the proposed ED comes additional responsibility to provide access for pediatric ED patients. Orthopedic trauma patients are projected to be frequent users of the pediatric ED. Emergency clinicians rely on radiologists and diagnostic imaging to quickly inform a medical treatment decisions. MRI along with computed tomography xray and ultrasound provide diagnostic imaging support to diagnose patients and move them quickly to the proper service locations.

BMHM is planning to upgrade an existing MRI unit to provide patients with access to a wider bore unit. When the upgrade occurs, a 1.5T MRI at BMHM will be available for acquisition by BMHW. The market value of \$100,000 is much less than the CON threshold. The number of scans at BMHW are projected to be 875 in year 1 and 1,092 in year 2 which is less than the utilization standards for non-specialty MRI units. The three MRI units at BMHM are exceeding the 80% utilization of 2,880 annual procedures as shown in the following table. Relocating scans to BMHW will not drop BMHM below the 80% utilization threshold and access to patient service at BMHW will provided.

Total MRI Scans at BMH-Memphis (3 Units)

YEAR	2009	2010	2011
Procedures	11,357	11,517	12,052
% Change		1.41%	4.65%
Avg per unit	3,786	3,839	4,017

Due to the need to provide access for pediatric patients and NICU infants as well as other hospital patients who would be transported to BMHM, the applicant requests special consideration by the HSDA, as provided in the criteria item 9 d. shown on the following page.

SUPPLEMENTAL RESPONSES

**PEDIATRIC EMERGENCY DEPARTMENT ADDITION
AND MRI ACQUISITION**

BAPTIST MEMORIAL HOSPITAL FOR WOMEN

CN1211-058

1. Section B. II.A., Project Description

Does Baptist Memorial Hospital for Women (BMH-W) currently operate an emergency department? If not, where do pediatric emergencies go to currently, Baptist Memorial Hospital's-Memphis (BMH-M) main campus, or a different location?

Please explain the current process for admitting pediatric patients for inpatient services who enter the system through the emergency room and how that will change after project completion.

What is the distance between the main entrance of BMH-M and BMH-W? Are there any physical connectors between the two hospitals?

Please discuss in detail the efficiencies in the design of the proposed pediatric emergency room, e.g., the triaging of patients, separating urgent care cases from true emergencies, etc.

The last three columns of the Square Footage Chart should be put in terms of "Cost per Square Foot" Please make the needed changes and submit a revised Chart.

The Square Footage Chart includes 12,520 square feet of new construction, which is equivalent to 35% of the new construction space, for hospital shell space. Please discuss in detail how this space will be utilized.

Will BMHM replace the MRI unit to be relocated to BMH-W?

Response:

BMH-W currently provides an area and has process for the evaluation and transfer of patients with emergency medical conditions including pregnancy and contractions. An external entrance is marked as the maternity ambulance entrance and is accessible 24 hours a day. When a patient is determined to have an emergency medical condition, further medical examination and treatment may be needed to stabilize the patient. The patient is provided, within the capabilities of staff and facilities available, further medical examination and treatment as required to stabilize the medical condition or transfer the patient to a location where the conditions can be better managed. When transfer is indicated and the patient is stabilized, EMS is contacted to transport the patient usually to the BMH-M main campus ED. If a patient requires services that are not provided at BMH-M, transportation is provided to an appropriately equipped facility such as a trauma center.

Currently, pediatric patients who require hospitalization after treatment at the BMH-M emergency room are transported to BMH-W for admission. EMS may be called to transfer the patient. Implementation of the proposed pediatric emergency area will eliminate the need to transfer the patient by motorized vehicle. The BMH-M emergency room and the proposed BMH-W pediatric emergency room are on separate sides of each campus. Travel distance from one emergency entry to the other is estimated to be approximately 0.6 of a mile. Although BMH-M and BMH-W are

located on campuses that are adjacent along a single roadway, the hospital buildings are not connected. Although the road between the buildings is on the campus and is a private drive, a traffic signal and directional signage, with stop signs, are encountered when driving from the Memphis ED to the Women's hospital.

Inside the proposed ED, a waiting area designed for pediatric patients will accommodate families. Patients will be triaged upon entry and private registration rooms will provide control of confidential information. Efficient flow of patients and staff in the treatment areas is enhanced by a direct line of sight from the nursing station for patients with a potentially higher level of need. The interconnectivity of the areas will support the continual adjustment of attention as staff flow between the ED and the outpatient services area when the number of patients in the areas fluctuate. Also, the design includes consideration for handling urgent response to a high number of admissions due to an unanticipated catastrophic event.

The pediatric ED size and service components will provide patient safety and quality with control of treatment spaces that provide more privacy of confidential patient information and efficient alignment of treatment spaces with corridor placement to improve communication and workflow for effective staffing. The desirable workplace design and room configuration provide reasonable flexibility and appropriate access to technology including adequate workspace for implementing electronic records.

If an occasional patient presents who is not appropriate for pediatric ED services, the hospital will provide the appropriate examination and stabilization services needed and arrange for transfer as indicated.

The shell space above the ED is included for several reasons. Future additional construction above the ED would be disruptive to services being provided directly below. Construction of two floors at the same time is also less expensive since the equipment and crews are on site. The two story structure will also be contiguous and consistent with the existing internal and external building detail and will provide continuance for functional aesthetic values. If the space above the ED would eventually be used for hospital services that require certificate of need approval, the applicant will submit a subsequent application.

BMHM is planning to upgrade the MRI unit that is proposed to be transferred to BMHW. The replacement MRI at BMHM will be a wide bore unit. Currently, the 3 MRI units at BMHM perform enough procedures to operate 4 MRI units at the 80% utilization levels.

SQUARE FOOTAGE AND COST PER SQUARE FOOTAGE CHART

A. Unit / Department	Existing Location	Existing SF	Temporary Location	Proposed Final Location	Proposed Final Square Footage			Proposed Final Cost/ SF		
					Renovated	New	Total	Renovated	New	Total
Emergency Department										
Exam/Treatment Space						2110	2110			
Support Space						3390	3390			
Waiting Area						1440	1440			
Outpatient Services										
Exam space						1100	1100			
Support Space						200	200			
Waiting Area						680	680			
MRI Renovation					1277		1277			
Registration/Admin					903		903			
Hospital Shell space						12520	12520			
Canopies/Soffits						2852	2852			
B. Unit/Depart. GSF Sub-Total					2,180	24,292	26,472			
C. Mechanical/ Electrical GSF						1270	1270			
D. Circulation /Structure GSF						9758	9758			
E. Total GSF					2,180	35,320	37,500	\$292	\$234.64	\$237.98

2. Section B. II.E., Project Description

Please describe the MRI unit that will be relocating to BMH-W including Tesla strength of the magnet, whether the magnet is closed bore/open bore, and other distinguishing features of the unit, the total cost of the unit, current age of the unit, expected useful life of the unit, list of clinical applications to be provided, and documentation of FDA approval.

Response:

BMHM intends to acquire a wide bore MRI unit to accommodate patient needs by replacing the unit that can be moved to BMHW. The MRI unit proposed for BMHW is a short bore GE Signa Excite 1.5T with 11X software and full list of coils. It was upgraded in 2004. The remaining life is estimated to be 3-5 yrs and other upgrades are possible. As explained in other sections of the application, the current market value is \$100,000.

The coils allow the unit to perform breast imaging which will be important to the Women's Health Center that is part of BMHW. The unit also is equipped with a television for use with pediatric patients. All types of general scans can be performed as shown in the following list.

MR ABDOMEN
MR ANES GEN LEV III P HR
MR BRAIN
MR CARDIAC W/STRESS IMG
MR CHEST
MR LOWER EXT JOINT
MR MAC ANES
MR MRA ABD
MR MRA CHEST
MR MRA LOWER EXT
MR MRA OR MRV HEAD
MR MRA OR MRV NECK
MR MRA PELVIS
MR MRA UPPER EXTREM
MR MRI BREAST BIL
MR MRI BREAST UNI
MR NDLE PLCT BX/ASP/LOCAL
MR ORB/FACE/NK D
MR PELVIS
MR PL WIRE ADD LESION BR
MR PLCMT LOCAL WIRE BR
MR PLCT METAL CLIP IMAGE ASP/BX
MR SPINE CERVICAL LTD
MR SPINE COMPLETE
MR SPINE LUMBAR LTD
MR SPINE THORACIC LTD
MR UPPER EXTREM

Documentation of FDA approval follows this page.

K041476



GE Healthcare Technologies

P.O. Box 414, Milwaukee, WI 53201

JUN 17 2004

510(k) Summary

This 510(k) summary of safety and effectiveness information is submitted in accordance with the requirements of 21 CFR Part 807.92(c).

Submitter: GE Healthcare Technologies
PO Box 414
Milwaukee, WI 53201

Contact Person: Larry A. Kroger Ph.D.
Manager, Regulatory Programs

Telephone: 262- 544-3894

Fax: 262- 548-4768

Date Prepared: May 28, 2004

Device Name:

GE Signa[®] Excite 1.5T MR System, and
GE Signa[®] Excite 3.0T MR System
Magnetic Resonance Diagnostic System, 21 CFR 892.1000, 90-LNH

Marketed Device:

The Signa[®] Excite 1.5T MR System is substantially equivalent to the currently marketed Signa[®] 1.5T Infinity MR system (K013636) with the main differences being a change to the receive chain architecture that includes sixteen independent receive channels, and allows for future expansion in 16 channel increments.

The Signa[®] Excite 3.0T MR System is substantially equivalent to the currently marketed Signa[®] 3.0T Infinity with Excite Technology MR system (K030874) with the main differences being a change to the receive chain architecture that includes sixteen independent receive channels, and allows for future expansion in 16 channel increments.

Device Description:

The Signa[®] Excite 1.5T and 3.0T Magnetic Resonance Systems are a modification to the previously cleared MR systems K013636, and K030874 which utilizes a superconducting magnet to acquire 2D single-slice and multi-slice, and 3D volume images. The Signa[®] Excite 1.5T and 3.0T Magnetic Resonance System features a superconducting magnet operating at either 1.5T, or 3.0T. The data acquisition system supports 1, 4, 8, 16 independent receive channels and multiple independent coil elements per channel during a single acquisition series. Additionally, the system architecture is designed for expansion in 16 channel increments. The system can image in the sagittal, coronal, axial, oblique and double oblique planes, using various pulse sequences. Images are acquired and reconstructed using 2D and 3D Fourier transformation techniques. The system is intended for high-resolution anatomical applications, short scan times, and multinuclear spectroscopy.

**GE Healthcare Technologies**

P.O. Box 414, Milwaukee, WI 53201

Indications for Use:

The GE Signa® Excite MR system is a whole body magnetic resonance scanner designed to support high resolution, high signal-to-noise ratio, and short scan times. The Signa® Excite MR system is indicated for use as a diagnostic imaging device to produce axial sagittal, coronal and oblique images, spectroscopic images, and/or spectra, dynamic images of the internal structures and organs of the entire body, including, but not limited to, head, neck, TMJ, spine, breast, heart, abdomen, pelvis, joints, prostate, blood vessels, and musculoskeletal regions of the body. The images produced by the Signa® Excite system reflect the spatial distribution of protons (hydrogen nuclei) exhibiting magnetic resonance. These images and/or spectra when interpreted by a trained physician yield information that may assist in diagnosis.

Comparison with Predicate Device:

The Signa® Excite 1.5T and 3.0T MR Systems are a modification of the previously cleared MR systems K013636, and K030874 with the main differences being the change to the receive chain architecture that includes sixteen independent receive channels, and allows for future expansion in 16 channel increments.

Summary of Studies:

The Signa® Excite 1.5T and 3.0T Magnetic Resonance Systems were evaluated to the appropriate NEMA performance standards as well as the IEC 60601-1 International Medical Equipment Safety standard and IEC 60061-2-33 Particular Requirements for Safety of Magnetic Resonance Equipment for Medical Diagnosis. The Signa® Excite 1.5T Magnetic Resonance System is comparable to the currently marketed Signa® 1.5T Infinity Magnetic Resonance System. The Signa® Excite 3.0T Magnetic Resonance System is comparable to the currently marketed Signa® 3.0T Infinity with Excite Technology Magnetic Resonance System.

Conclusion:

It is the opinion of GE that the Signa® Excite 1.5T Magnetic Resonance System is substantially equivalent to the Signa® 1.5T Infinity Magnetic Resonance System. Usage of the Signa® Excite 1.5T Magnetic Resonance System does not result in any new potential hazards.

It is the opinion of GE that the Signa® Excite 3.0T Magnetic Resonance System is substantially equivalent to the Signa® 3.0T Infinity with Excite Technology Magnetic Resonance System. Usage of the Signa® Excite 3.0T Magnetic Resonance System does not result in any new potential hazards.



DEPARTMENT OF HEALTH & HUMAN SERVICES

SUPPLEMENTAL- # 1

November 28, 2012

2:43pm

Public Health Service

Food and Drug Administration
9200 Corporate Boulevard
Rockville MD 20850

JUN 17 2004

Larry A. Kroger, Ph.D.
Senior Regulatory Programs Manager
GE Healthcare Technologies
P.O. Box 414 W-400
MILWAUKEE WI 53201

Re: K041476
Trade/Device Name: GE Signa® Excite 1.5T MR System,
and GE Signa® Excite 3.0 MR System
Regulation Number: 21 CFR 892.1000
Regulation Name: Magnetic resonance
diagnostic device
Regulatory Class: II
Product Code: 90 LNH
Dated: May 28, 2004
Received: June 3, 2004

Dear Dr. Kroger:

We have reviewed your Section 510(k) premarket notification of intent to market the device referenced above and have determined the device is substantially equivalent (for the indications for use stated in the enclosure) to legally marketed predicate devices marketed in interstate commerce prior to May 28, 1976, the enactment date of the Medical Device Amendments, or to devices that have been reclassified in accordance with the provisions of the Federal Food, Drug, and Cosmetic Act (Act) that do not require approval of a premarket approval application (PMA). You may, therefore, market the device, subject to the general controls provisions of the Act. The general controls provisions of the Act include requirements for annual registration, listing of devices, good manufacturing practice, labeling, and prohibitions against misbranding and adulteration.

If your device is classified (see above) into either class II (Special Controls) or class III (PMA), it may be subject to such additional controls. Existing major regulations affecting your device can be found in the Code of Federal Regulations, Title 21, Parts 800 to 898. In addition, FDA may publish further announcements concerning your device in the Federal Register.

Please be advised that FDA's issuance of a substantial equivalence determination does not mean that FDA has made a determination that your device complies with other requirements of the Act or any Federal statutes and regulations administered by other Federal agencies. You must comply with all the Act's requirements, including, but not limited to: registration and listing (21 CFR Part 807); labeling (21 CFR Part 801); good manufacturing practice requirements as set forth in the quality systems (QS) regulation (21 CFR Part 820); and if applicable, the electronic product radiation control provisions (Sections 531-542 of the Act); 21 CFR 1000-1050.

November 28, 2012

2:43pm

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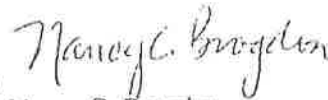
This letter will allow you to begin marketing your device as described in your Section 510(k) premarket notification. The FDA finding of substantial equivalence of your device to a legally marketed predicate device results in a classification for your device and thus, permits your device to proceed to the market.

If you desire specific advice for your device on our labeling regulation (21 CFR Part 801), please contact the Office of Compliance at one of the following numbers, based on the regulation number at the top of the letter:

8xx.1xxx	(301) 594-4591
876.2xxx, 3xxx, 4xxx, 5xxx	(301) 594-4616
884.2xxx, 3xxx, 4xxx, 5xxx, 6xxx	(301) 594-4616
892.2xxx, 3xxx, 4xxx, 5xxx	(301) 594-4654
Other	(301) 594-4692

Additionally, for questions on the promotion and advertising of your device, please contact the Office of Compliance at (301) 594-4639. Also, please note the regulation entitled, "Misbranding by reference to premarket notification" (21CFR Part 807.97) you may obtain. Other general information on your responsibilities under the Act may be obtained from the Division of Small Manufacturers, International and Consumer Assistance at its toll-free number (800) 638-2041 or (301) 443-6597 or at its Internet address <http://www.fda.gov/cdrh/dsma/dsmamain.html>.

Sincerely yours,



Nancy C. Brogdon
Director, Division of Reproductive,
Abdominal and Radiological Devices
Office of Device Evaluation
Center for Devices and Radiological Health

Enclosure



K041476

GE Healthcare Technologies

P.O. Box 414, Milwaukee, WI 53201

STATEMENT OF INTENDED USE510(k) Number (if known): K041476Device Name: GE Signa® Excite 1.5T MR System, and
GE Signa® Excite 3.0T MR SystemIndications for Use

The GE Signa® Excite MR system is a whole body magnetic resonance scanner designed to support high resolution, high signal-to-noise ratio, and short scan times. The Signa® Excite MR system is indicated for use as a diagnostic imaging device to produce axial sagittal, coronal and oblique images, spectroscopic images, and/or spectra, dynamic images of the internal structures and organs of the entire body, including, but not limited to, head, neck, TMJ, spine, breast, heart, abdomen, pelvis, joints, prostate, blood vessels, and musculoskeletal regions of the body. The images produced by the Signa® Excite system reflect the spatial distribution of protons (hydrogen nuclei) exhibiting magnetic resonance. These images and/or spectra when interpreted by a trained physician yield information that may assist in diagnosis.

(PLEASE DO NOT WRITE BELOW THIS LINE - CONTINUE ON ANOTHER PAGE IF NEEDED)

Concurrence of CDRH, Office of Device Evaluation (ODE)

Prescription Use ☒
(Per 21 CFR 801-109)

OR

Over-The-Counter Use ☐

(Division Sign-Off)

Division of Reproductive, Abdominal,
and Radiological Devices

510(k) Number

K041476

3. Section C, Need Item 1

Please discuss how the proposed project will relate to each of the 5 Principals for Achieving Better Health found in the State Health Plan.

Response:

1. Healthy Lives

The purpose of the State Health Plan is to improve the health of Tennesseans.

Every person's health is the result of the interaction of individual behaviors, society, the environment, economic factors, and our genetic endowment. The State Health Plan serves to facilitate the collaboration of organizations and their ideas to help address health at these many levels.

Response:

The proposed project will place pediatric services in a setting that is dedicated to the specific needs of pediatric patients and families. Access to the pediatric services at the same hospital where many families joined in the birth experience will provide an environment that encourages patients and their families to learn and participate to the extent possible in their personal care. The focused setting and access to professional staff will support family participation and support children with encouragement to participate in healthy activities that reduce risk and improve health.

2. Access to Care

Every citizen should have reasonable access to health care.

Many elements impact one's access to health care, including existing health status, employment, income, geography, and culture. The State Health Plan can provide standards for reasonable access, offer policy direction to improve access, and serve a coordinating role to expand health care access.

Response:

Access to emergency pediatric services in a focused setting is not restricted by existing health status, employment, income, geography or culture. The services are designed to improve access to the full continuum of care in a setting where they can be distinguished from other general hospital services. Convenient access to a pediatric ED setting can improve the care experience and satisfaction with the attention received.

3. Economic Efficiencies

The state's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the state's health care system. The State Health Plan should work to identify opportunities to improve the efficiency of the state's health care system and to encourage innovation and competition.

Response:

The new ED setting will be efficiently designed with flexibility to adjust capacities in an economically effective way of improving the health care system without unnecessarily duplicating services. The new ED innovatively includes space that can also be used to support pediatric outpatient services and medical professionals with access to new technologies such as the electronic medical record.

4. Quality of Care

Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers. Health care providers are held to certain professional standards by the state's licensure system. Many health care stakeholders are working to improve their quality of care through adoption of best practices and data-driven evaluation.

Response:

The new ED's telecommunication and electronic health record tools will ensure that patient information is appropriately accessible to providers and that patients can be monitored. The focused setting will consolidate services and improve functionality by reducing fragmentation of resources. Patients and adult guardians will have access to information about the quality of services provided specifically to pediatric patients. Medical professionals will work in a setting that supports effective utilization and a high quality of work life.

5. Health Care Workforce

The state should support the development, recruitment, and retention of a sufficient and quality health care workforce. The state should consider developing a comprehensive approach to ensure the existence of a sufficient, qualified health care workforce, taking into account issues regarding the number of providers at all levels and in all specialty and focus areas, the number of professionals in teaching positions, the capacity of medical, nursing, allied health and other educational institutions, state and federal laws and regulations impacting capacity programs, and funding.

Response:

This project includes healthcare professionals who are dedicated to providing care for pediatric patients and are already engaged in providing the services. The proposed ED will provide focused pediatric care in a setting comforting to patients and families and effective for professionals. The setting will be accessible to medical, nursing, allied health and educational institutions including the BMH College of Health Sciences.

4. Section C Item 1.a. (Service Specific Criteria-Construction, Renovation, etc.)

Your response to this item is noted. Please complete the following table. This information should be available from either THA or the Department Of Health's Hospital Data Discharge System.

**Most Recent Year Destination of Pediatric (Age 0-18)
Service Area Residents for Emergency Room Visits**

Hospital ID				
Hospital ID	Fayette	Shelby	Tipton	Total
1	138	15,480	501	16,119
2	68	5,562	157	5,787
3	11	250	4,271	4,532
4	91	4,124	43	4,258
5	-	3,887	4	3,891
6	150	3,524	203	3,877
7	6	2,952	166	3,124
8	1	2,408	1	2,410
9	10	2,116	10	2,136
10	188	1,271	8	1,467
11	7	952	10	969
12	486	55	21	562
13	-	293	1	294
14	1	47	3	51
15	1	10	25	36
16	17	13	-	30
17	3	21	6	30
18	-	21	-	21
19	-	20	-	20
20	-	15	2	17
21	1	11	1	13
22	-	10	-	10
23	-	8	2	10
24	-	9	-	9
25	1	4	3	8
26	1	7	-	8
27	-	7	-	7
28	-	7	-	7
29	-	6	-	6

30	-	5	-	5
31	-	5	-	5
32	-	5	-	5
33	1	1	2	4
34	-	3	1	4
35	-	4	-	4
36	-	2	1	3
37	-	3	-	3
38	-	3	-	3
39	-	3	-	3
40	1	1	1	3
41	-	3	-	3
42	-	3	-	3
43	-	2	-	2
44	-	2	-	2
45	-	1	1	2
46	-	2	-	2
47	2	-	-	2
48	-	2	-	2
49	-	1	1	2
50	-	2	-	2
51	-	1	1	2
52	-	2	-	2
53	-	2	-	2
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57	-	1	-	1
58	-	-	1	1
59	-	1	-	1
60	-	1	-	1
61	-	1	-	1
62	-	1	-	1
63	-	1	-	1
64	-	-	1	1
65	-	1	-	1
66	-	1	-	1
67	-	1	-	1
68	-	1	-	1

SUPPLEMENTAL- # 1**November 28, 2012****2:43pm**

69	-	1	-	1
70	-	1	-	1
71	-	1	-	1
72	-	1	-	1
73	-	1	-	1
74	-	1	-	1
75	-	1	-	1
76	-	1	-	1
77	-	1	-	1
TOTALS	1,185	43,170	5,448	49,803

5. Section C Item 1.a. (Service Specific Criteria-Magnet Resonance Imaging Services)

Since the applicant is requesting an exception to the MRI Criteria, please provide a response to each applicable MRI criterion

Response:

Standards and Criteria

1. Utilization Standards for non-Specialty MRI Units.

a. An applicant proposing a new non-Specialty stationary MRI service should project a minimum of at least 2160 MRI procedures in the first year of service, building to a minimum of 2520 procedures per year by the second year of service, and building to a minimum of 2880 procedures per year by the third year of service and for every year thereafter.

Response:

As previously explained, BMHW is a satellite of Baptist Memorial Hospital with the main campus of BMHM adjacent to the BMHW campus. Although the proposed MRI will be at a new postal address, patients at BMHW who need MRI service are currently transported as inpatients to the MRI units at BMHM or referred to outpatient services at BMHM. Therefore, the unit at BMHW will provide access for patients who are currently served at BMHM.

The 2 tables below present the average number of procedures currently provided by 3 units at BMHM and the average number that would result if 4 units were accessible to the same patients. If the MRI that is currently in service at BMHM is moved to BMHW and if another unit with a wide bore becomes operational at BMHM, the average of all 4 units will still be above 2880 procedures per year. The charts represent utilization through 2011 but the procedures continued to increase in 2012 to approximately 12,203.

Total MRI Scans at BMH-Memphis (3 Units)

Fiscal YEAR	2009	2010	2011
Procedures	11,357	11,517	12,052
Avg per unit	3,786	3,839	4,017

Total MRI Scans at BMH-Memphis (if 4 Units)

Fiscal YEAR	2009	2010	2011
Procedures	11,357	11,517	12,052
Avg per unit	2,839	2,879	3,013

Another perspective is that the patients who will be served at BMHW would otherwise be served at BMHM and placing the MRI at BMHW improves access for pediatric and fragile infants who would otherwise require transportation.

b. Providers proposing a new non-Specialty mobile MRI service should project a minimum of at least 360 mobile MRI procedures in the first year of service per day of operation per week, building to an annual minimum of 420 procedures per day of operation per week by the second year of service, and building to a minimum of 480 procedures per day of operation per week by the third year of service and for every year thereafter.

Response

Not applicable.

c. An exception to the standard number of procedures may occur as new or improved technology and equipment or new diagnostic applications for MRI units are developed. An applicant must demonstrate that the proposed unit offers a unique and necessary technology for the provision of health care services in the Service Area.

Response

Although the equipment does not qualify as new or improved technology, the rearrangement of services provides a different new setting at BMHW for providing diagnostic MRI services.

d. Mobile MRI units shall not be subject to the need standard in paragraph 1 b if fewer than 150 days of service per year are provided at a given location. However, the applicant must demonstrate that existing services in the applicant's Service Area are not adequate and/or that there are special circumstances that require these additional services.

Response

Not applicable.

e. Hybrid MRI Units. The HSDA may evaluate a CON application for an MRI "hybrid" Unit (an MRI Unit that is combined/utilized with another medical equipment such as a megavoltage radiation therapy unit or a positron emission tomography unit) based on the primary purposes of the Unit.

Response

Not applicable.

2. Access to MRI Units. All applicants for any proposed new MRI Unit should document that the proposed location is accessible to approximately 75% of the Service Area's population. Applications that include non-Tennessee counties in their proposed Service Areas should provide evidence of the number of existing MRI units that service the non-Tennessee counties and the impact on MRI unit utilization in the non-Tennessee counties, including the specific location of those units located in the non-Tennessee counties, their utilization rates, and their capacity (if that data are available).

Response

The new BMHW location for the MRI unit is accessible to the same population as BMHM. However, since the pediatric patients are at BMHW, access for those patients is improved by locating the MRI at the same facility. For convenient reference, the following table indicates MRI utilization in the three county service area. Placing the MRI at BMHW will effect only the utilization at BMHM as previously described.

Facility	2009 Units	2009 Procedures	2010 Units	2010 Procedures	2011 Units	2011 Procedures
Methodist Healthcare-Fayette Hospital	1	459	1	373	1	324
Baptist Memorial Hospital - Collierville	1	3076	1	1941	1	1891
Baptist Memorial Hospital - Memphis	3	11357	3	11517	3	12052
Baptist Rehabilitation - Germantown	1	1267	1	1702	1	1622
Baptist Rehabilitation - Germantown Briarcrest	1	415	1	370	1	585
Campbell Clinic - Union	1	938	1	64	1	2290
Campbell Clinic Inc	1	7398	1	8081	1	6502
Delta Medical Center	1	921	1	880	1	1006
Diagnostic Imaging PC - Memphis	1	4236	1	4540	1	6358
Lebonheur Children's Medical Center	2	4224	1	3856	3	4663
Methodist Healthcare-Germantown Hospital	2	8282	2	8313	2	7698
Methodist Healthcare-North Hospital	2	6660	2	6359	2	6058
Methodist Healthcare-South Hospital	1	3364	1	3536	1	4073
Methodist Healthcare-University Hospital	3	9144	3	9136	3	9677
MSK Group PC-New Covington Pike	1	3213	1	3420	1	3096
MSK Group PC-Briarcrest	1	3247	1	4043	1	4508
Neurology Clinic PC	1	3161	1	3370	1	3168
Outpatient Diagnostic Center of Memphis	1	1969	1	2389	1	2207
Park Avenue Diagnostic Center	2	4989	2	3857	2	3080
Regional Medical Center at Memphis	1	4100	1	3733	1	3927
Semmes-Murphy Clinic	2	6748	2	7327	2	7300
St Francis Hospital	3	6852	3	6159	3	5482
St Francis Hospital - Bartlett	1	3044	1	3030	2	3257
St Jude Children's Research Hospital	3	8443	3	9467	3	10031
Wesley Neurology Clinic PC	1	1358	1	1393	1	1398
West Clinic PC	1	1598	1	1304	1	1662
Baptist Memorial Hospital-Tipton	1	1275	1	1213	1	1143

3. Economic Efficiencies. All applicants for any proposed new MRI Unit should document that alternate shared services and lower cost technology applications have been investigated and found less advantageous in terms of accessibility, availability, continuity, cost, and quality of care.

Response

Acquiring the MRI that is fully equipped for children and breast exams that are specific needs of patients at BMHW at the market value is the most advantageous opportunity to improve accessibility and availability of service, without increasing cost to continue the quality of the service and satisfaction with the care received.

4. A need likely exists for one additional non-Specialty MRI unit in a Service Area when the combined average utilization of existing MRI service providers is at or above 80% of the total capacity of 3600 procedures, or 2880 procedures, during the most recent twelve-month period reflected in the provider medical equipment report maintained by the HSDA. The total capacity per MRI unit is based upon the following formula:
Stationary MRI Units: $1.20 \text{ procedures per hour} \times \text{twelve hours per day} \times 5 \text{ days per week} \times 50 \text{ weeks per year} = 3,600 \text{ procedures per year}$

Response

As previously described, the average number of procedures provided by all 4 units at BMHM and BMHW will continue to be at least 2880.

Mobile MRI Units: $\text{Twelve (12) procedures per day} \times \text{days per week in operation} \times 50 \text{ weeks per year}$. For each day of operation per week, the optimal efficiency is 480 procedures per year, or 80 percent of the total capacity of 600 procedures per year.

Response

Not applicable

5. Need Standards for Specialty MRI Units.

a. Dedicated fixed or mobile Breast MRI Unit. An applicant proposing to acquire a dedicated fixed or mobile breast MRI unit shall not receive a CON to use the MRI unit for non-dedicated purposes and shall demonstrate that annual utilization of the proposed MRI unit in the third year of operation is projected to be at least 1,600 MRI procedures (.80 times the total capacity of 1 procedure per hour times 40 hours per week times 50 weeks per year), and that:

Response

Not applicable. The unit has the capability to provide Breast exams but is not a dedicated breast MRI unit.

i. It has an existing and ongoing working relationship with a breast-imaging radiologist or radiology proactive group that has experience interpreting breast images provided by mammography, ultrasound, and MRI unit equipment, and that is trained to interpret images produced by an MRI unit configured exclusively for mammographic studies;

Response

The unit and BMHW provide a comprehensive Breast Service through the Women's Health Center.

ii. Its existing mammography equipment, breast ultrasound equipment, and the proposed dedicated breast MRI unit are in compliance with the federal Mammography Quality Standards Act;

Response

The Women's Health Center operates equipment in compliance with mammography quality standards.

iii. It is part of or has a formal affiliation with an existing healthcare system that provides comprehensive cancer care, including radiation oncology, medical oncology, surgical oncology and an established breast cancer treatment program that is based in the proposed service area; and

iv. It has an existing relationship with an established collaborative team for the treatment of breast cancer that includes radiologists, pathologists, radiation oncologists, hematologist/oncologists, surgeons, obstetricians/gynecologists, and primary care providers.

Response

BMHW has an affiliation with the Baptist Center for Cancer Care that is proposed to be constructed on property adjacent to the BMHW campus. The Women's Health Center will be located in the building that houses the cancer center and will be actively involved in fighting the disease. Members of the Women's Health Center will be part of the collaborative team for the treatment of breast cancer.

b. Dedicated fixed or mobile Extremity MRI Unit. An applicant proposing to institute a Dedicated fixed or mobile Extremity MRI Unit shall provide documentation of the total capacity of the proposed MRI Unit based on the number of days of operation each week, the number of days to be operated each year, the number of hours to be operated each day, and the average number of MRI procedures the unit is capable of performing each hour. The applicant shall then demonstrate that annual utilization of the proposed MRI Unit in the third year of operation is reasonably projected to be at least 80 per cent of the total capacity. Non-specialty MRI procedures shall not be performed on a Dedicated fixed or mobile Extremity MRI Unit and a CON granted for this use should so state on its face.

Response

Not applicable since the MRI will not be dedicated to a single service.

c. Dedicated fixed or mobile Multi-position MRI Unit. An applicant proposing to institute a Dedicated fixed or mobile Multi-position MRI Unit shall provide documentation of the total capacity of the proposed MRI Unit based on the number of days of operation each week, the number of days to be operated each year, the number of hours to be operated each day, and the average number of MRI procedures the unit is capable of performing each hour. The applicant shall then demonstrate that annual utilization of the proposed MRI Unit in the third year of operation is reasonably projected to be at least 80 per cent of the total capacity. Non-specialty MRI procedures shall not be performed on a Dedicated fixed or mobile Multi-position MRI Unit and a CON granted for this use should so state on its face.

Response

Not applicable since the MRI will not be dedicated to a single service.

6. Separate Inventories for Specialty MRI Units and non-Specialty MRI Units. If data availability permits, Breast, Extremity, and Multi-position MRI Units shall not be counted in the inventory of non-Specialty fixed or mobile MRI Units, and an inventory for each category of Specialty MRI Unit shall be counted and maintained separately. None of the Specialty MRI Units may be replaced with non-Specialty MRI fixed or mobile MRI Units and a Certificate of Need granted for any of these Specialty MRI Units shall have included on its face a statement to that effect. A non-Specialty fixed or mobile MRI Unit for which a CON is granted for Specialty MRI Unit purpose use-only shall be counted in the specific Specialty MRI Unit inventory and shall also have stated on the face of its Certificate of Need that it may not be used for non-Specialty MRI purposes.

Response

Not applicable.

7. Patient Safety and Quality of Care. The applicant shall provide evidence that any proposed MRI Unit is safe and effective for its proposed use.

a. The United States Food and Drug Administration (FDA) must certify the proposed MRI Unit for clinical use.

Response

FDA documentation is provided.

b. The applicant should demonstrate that the proposed MRI Procedures will be offered in a physical environment that conforms to applicable federal standards, manufacturer's specifications, and licensing agencies' requirements.

Response

The MRI will be located in space that has been renovated in accordance with standards and guidelines from the vendor and other sources.

c. The applicant should demonstrate how emergencies within the MRI Unit facility will be managed in conformity with accepted medical practice.

Response

Emergencies will be handled in accordance with hospital and medical practices.

d. The applicant should establish protocols that assure that all MRI Procedures performed are medically necessary and will not unnecessarily duplicate other services.

Response

Appropriate protocols will be enacted to assure that all MRI Procedures performed are medically necessary and will not unnecessarily duplicate other services

e. An applicant proposing to acquire any MRI Unit or institute any MRI service, including Dedicated Breast and Extremity MRI Units, shall demonstrate that it meets or is prepared to meet the staffing recommendations and requirements set forth by the American College of Radiology, including staff education and training programs.

Response

BMHW is prepared to meet the staffing recommendations and requirements set forth by the American College of Radiology.

f. All applicants shall commit to obtain accreditation from the Joint Commission, the American College of Radiology, or a comparable accreditation authority for MRI within two years following operation of the proposed MRI Unit.

Response

BMHW is accredited by the Joint Commission and will seek accreditation for MRI within two years of implementation of the proposed service.

g. All applicants should seek and document emergency transfer agreements with local area hospitals, as appropriate. An applicant's arrangements with its physician medical director must specify that said physician be an active member of the subject transfer agreement hospital medical staff.

Response

BMHW has transfer agreements with BMHM and Medical Staff are active with both facilities.

8. The applicant should provide assurances that it will submit data in a timely fashion as requested by the HSDA to maintain the HSDA Equipment Registry.

Response

BMHW will submit data in a timely fashion as requested by the HSDA to maintain the HSDA Equipment Registry.

9. In light of Rule 0720-11.01, which lists the factors concerning need on which an application may be evaluated, and Principle No. 2 in the State Health Plan, "Every citizen should have reasonable access to health care," the HSDA may decide to give special consideration to an applicant:

- a. Who is offering the service in a medically underserved area as designated by the United States Health Resources and Services Administration;
- b. Who is a "safety net hospital" or a "children's hospital" as defined by the Bureau of TennCare Essential Access Hospital payment program; or
- c. Who provides a written commitment of intention to contract with at least one TennCare MCO and, if providing adult services, to participate in the Medicare program; or
- d. Who is proposing to use the MRI unit for patients that typically require longer preparation and scanning times (e.g., pediatric, special needs, sedated, and contrast agent use patients). The applicant shall provide in its application information supporting the additional time required per scan and the impact on the need standard. its physician medical director must specify that said physician be an active member of the subject transfer agreement hospital medical staff.

Response:

As previously presented, BMHW contracts with all TennCare MCOs in the area, and BMHW requests special consideration due to it's involvement with Pediatric Services and the special needs of children.

6. Section C, Need, Item 3

Please provide BMH-M/BMH-W's pediatric emergency room visit patient origin by county for the most recent year available.

Response:

The information is provided in the following table:

Pediatric ED Patient Origin from BMH Memphis			
State	County	% of Total	Cumulative
TN	Shelby	89.828%	89.828%
MS	DeSoto	3.099%	92.926%
TN	Tipton	2.396%	95.322%
TN	Fayette	1.888%	97.211%
MS	Marshall	0.556%	97.767%
AR	Crittenden	0.390%	98.157%
TN	Hardeman	0.163%	98.320%
MS	Benton	0.108%	98.484%
MS	Tate	0.108%	98.592%
TN	Lauderdale	0.090%	98.699%
TN	Haywood	0.080%	98.790%
MS	Panola	0.073%	98.870%
MO	St. Louis	0.049%	98.943%
TN	Davidson	0.049%	98.991%
MS	Lafayette	0.045%	99.040%
TN	Hardin	0.038%	99.085%
TN	Madison	0.038%	99.124%
AR	Craighead	0.035%	99.162%
TN	Dyer	0.035%	99.197%
AR	Pulaski	0.031%	99.231%
AR	Mississippi	0.028%	99.263%
AR	St. Francis	0.028%	99.291%
MS	Alcorn	0.028%	99.318%
MS	Tunica	0.028%	99.346%
TN	Rutherford	0.024%	99.374%
AL	Jefferson	0.021%	99.398%
KY	Christian	0.021%	99.419%
MS	Hinds	0.021%	99.440%
TN	Hamilton	0.021%	99.461%
TN	Knox	0.021%	99.482%
TN	McNairy	0.021%	99.503%
AL	Madison	0.017%	99.524%
MS	Tippah	0.017%	99.541%

7. Section C, Need, Item 4

Your response to this item is noted. Please complete the following chart. All the information requested can be obtained from the Department of Health population projections, TennCare website, and US Census website.

Demographic/Geographic Area	Fayette County	Shelby County	Tipton County	Primary Service Area	State of TN
Total Population-Current Year -2012	39,245	949,665	62,952	1,051,862	6,361,070
Total Population-Projected Year -2016	41,453	976,726	66,587	1,084,766	6,575,165
Total Population-% change	5.33%	2.77%	5.46%	3.03%	3.26%
Age 0-18 Population - 2012	9,949	280,986	17,512	308,447	1,665,788
Age 0-18 Population - 2016	10,166	285,621	18,137	313,924	1,705,941
Age 0-18 Population - % change	2.13%	1.62%	3.45%	1.74%	2.35%
Age 0-18 Population as % of Total Population	25.35%	29.59%	27.82%	29.32%	26.19%
Median Age	42	35	37	38	38
Median Household Income	\$ 56,729	\$ 44,705	\$49,378	\$ 50,271	\$ 43,314
TennCare Enrollees	5,631	230,053	11,473	247,157	1,203,220
TennCare Enrollees as % of Total Pop.	14.35%	24.22%	18.22%	23.50%	18.92%
Persons Below Poverty Level	5,102	123,456	8,184	136,742	826,939
Persons Below Poverty Level as % of Total	13%	19.7%	17%	16.5%	16.5%

8. Section C, Need, Item 5

Utilization for the existing MRI units in the service area was not included. Please provide this information for the three most recent years available from the HSDA Equipment Registry.

Response :

Facility	2009 Units	2009 Procedures	2010 Units	2010 Procedures	2011 Units	2011 Procedures
Methodist Healthcare-Fayette Hospital	1	459	1	373	1	324
Baptist Memorial Hospital - Collierville	1	3076	1	1941	1	1891
Baptist Memorial Hospital - Memphis	3	11357	3	11517	3	12052
Baptist Rehabilitation - Germantown	1	1267	1	1702	1	1622
Baptist Rehabilitation - Germantown Briarcrest	1	415	1	370	1	585
Campbell Clinic - Union	1	938	1	64	1	2290
Campbell Clinic Inc	1	7398	1	8081	1	6502
Delta Medical Center	1	921	1	880	1	1006
Diagnostic Imaging PC - Memphis	1	4236	1	4540	1	6358
Lebonheur Children's Medical Center	2	4224	1	3856	3	4663
Methodist Healthcare-Germantown Hospital	2	8282	2	8313	2	7698
Methodist Healthcare-North Hospital	2	6660	2	6359	2	6058
Methodist Healthcare-South Hospital	1	3364	1	3536	1	4073
Methodist Healthcare-University Hospital	3	9144	3	9136	3	9677
MSK Group PC-New Covington Pike	1	3213	1	3420	1	3096
MSK Group PC-Briarcrest	1	3247	1	4043	1	4508
Neurology Clinic PC	1	3161	1	3370	1	3168
Outpatient Diagnostic Center of Memphis	1	1969	1	2389	1	2207
Park Avenue Diagnostic Center	2	4989	2	3857	2	3080
Regional Medical Center at Memphis	1	4100	1	3733	1	3927
Semmes-Murphy Clinic	2	6748	2	7327	2	7300
St Francis Hospital	3	6852	3	6159	3	5482
St Francis Hospital - Bartlett	1	3044	1	3030	2	3257
St Jude Children's Research Hospital	3	8443	3	9467	3	10031
Wesley Neurology Clinic PC	1	1358	1	1393	1	1398
West Clinic PC	1	1598	1	1304	1	1662
Baptist Memorial Hospital-Tipton	1	1275	1	1213	1	1143

9. Section C, Need, Item 6

Pediatric Emergency

Please complete the following table for patients Age 0-18:

Emergency Department	2009	2010	2011	2012	Year1* 2015	Year 2* 2016
Pediatric Treatment Rooms	5	5	5	5	8	8
Level I Visits	1,269	1,220	1,199	1,563	1,327	1,433
Level II Visits	1,985	1,582	1,533	1,645	1,709	1,844
Level III Visits	3,623	2,606	2,699	2,579	2,917	3,148
Level IV Visits	937	1,084	1,146	937	1,039	1,122
Level V Visits	227	419	378	270	328	354
Total Visits	8,040	6,911	6,955	6,994	7,320	7,900

* Since the proposed project is not expected to be completed until 2015, please revise all utilization and financial charts in the application to reflect that Year 1 is 2015 and Year 2 is 2016.

Historically, how many of these pediatric visits resulted in inpatient admissions?

Response:

The proportion of pediatric visits that have been admitted ranges from 2.0% to 2.5% of the total for each year over the 5 year period.

Historically, what percentage of admissions were from pediatric emergency room visits?

Response:

As stated above, the proportion of pediatric visits that have been admitted ranges from 2.0% to 2.5% over the 5 year period.

Does the applicant expect these patterns to change after completion of the proposed project?

Response:

A low percentage of pediatric admissions from ED visits is consistent with available literature and studies. The percentage is expected to continue at a low rate.

Variable	2009	2010	2011	2012	Year 1*	Year 2*
BMH-W ER Treatment Rooms	-	-	-	-	8	8
BMH-M Adult ER Treatment Rooms	47	47	47	47	52	52
BMH-M Pediatric ER Treatment Rooms	5	5	5	5	-	-
BMH-M Total ER Treatment Rooms	52	52	52	52	60	60
BMH-W ER Visits	-	-	-	-	-	-
BMH-M Pediatric (0-18) ER Visits	8,040	6,911	6,955	6,994	7,320	7,900
BMH-M Adult ER Visits	48,926	47,373	49,907	51,339	52,007	53,221
BMH-M Total ER Visits	56,966	54,284	56,862	58,333		
BMH-W *Pediatric Inpatient Admissions	320	169	173	187	545	555
BMH-M Pediatric Inpatient Admissions	305	220	202	121	N/A	N/A
BMH-W Pediatric Patient Days	1572	1437	1163	818	1400	1585
BMH-M Pediatric Patient Days	695	575	525	285	N/A	N/A
BMH-W Pediatric ADC	4.4	4.2	3.32	2.47	2.00	2.00
BMH-M Pediatric ADC	2.41	2.09	1.98	1.7	N/A	N/A

* Since the proposed project is not expected to be completed until 2015, please revise all utilization and financial charts in the application to reflect that Year 1 is 2015 and Year 2 is 2016

*Pediatric Admissions at BMHW until year 1 represent NICU transfers that are not born at BMHW. Newborns are not included. A pediatric mother will be included.

MRI

Please complete the following table for the MRI units at BMH-M and the proposed unit at BMH-W.

MRI Procedure Trends at BMH-M

MRI Units	2009	2010	2011	2012	Year 1*	Year 2*
Unit #1						
Unit #2						
Unit #3						
Unit #4						
Total MRI Procedures	11,585	11,227	11,833	12,203	11,944	11,973
Total Pediatric MRI Procedures	319	309	310	228	5	10
Total Adult MRI Procedures	11,214	10,918	11,523	11,975	11,939	11,963

MRI Procedure Trends at BMH-W

MRI Units	2009	2010	2011	2012	Year 1*	Year 2*
Unit #1						
Unit #2						
Unit #3						
Unit #4						
Total MRI Procedures	0	0	0	0	875	1,092
Total Pediatric MRI Procedures	0	0	0	0	330	340
Total Adult MRI Procedures	0	0	0	0	545	752

* Since the proposed project is not expected to be completed until 2015, please revise all utilization and financial charts in the application to reflect that Year 1 is 2015 and Year 2 is 2016

10. Section C, Economic Feasibility, Item 1

Moveable equipment is listed as \$1,939,321. If there are any equipment items in excess of \$50,000, please identify those pieces of equipment.

What is included in the \$110,000 for "Other"?

Please note that the filing fee was overpaid by \$75. A refund check is in process.

Response:

Items in excess of \$50,000 are shown in the list below.

<u>Equipment</u>	<u>Qty</u>	<u>Total</u>
Ventilator,		
Pediatric/Adult	2	\$66,480
Radiographic Unit,		
Mobile, Digital	1	\$220,000
C-Arm, Mobile 6"	1	\$120,100
Monitor, Patient MRI	1	\$85,100
Monitor, Central Station		
16 bed	1	\$70,610

The \$110,000 shown on the "other" line is the cost for non-clinical furniture.

11. Section C, Economic Feasibility, Item 3

Please discuss how the proposed project's construction cost/square foot compares to costs of previously approved hospital projects. This information can be found at the HSDA website under the "Applicant Toolbox" icon.

Response:

The following chart is from the HSDA Toolkit:

Hospital Construction Cost Per Square Foot Years: 2009 – 2011			
	Renovated Construction	New Construction	Total Construction
1st Quartile	\$125.84/sq ft	\$235.86/sq ft	\$167.99/sq ft
Median	\$177.60/sq ft	\$274.63/sq ft	\$249.32/sq ft
3rd Quartile	\$273.69/sq ft	\$324.00/sq ft	\$301.74/sq ft

Source: CON approved applications for years 2009 through 2011

The average renovation cost per square foot for the proposed project is \$292. The cost is above the third quartile of \$273.69 per sq ft likely because the space that is being renovated is to accommodate the MRI. Shielding, cooling and support are considerations in the renovation.

The average new construction cost is 234.64 per sq ft which is lower than the Median cost likely because it includes 12,520 sq ft of shelled space with an estimated construction cost of \$130 per sq ft.

The average Total Construction cost is \$237.98 per sq. ft. that is also lower than the median Total Construction cost shown in the chart. The low cost is weighted by the shell space.

A more direct comparison may be made by using the typical new construction estimated cost of \$310 per sq ft. that applies to the areas that will accommodate the Emergency Department operations space. The average \$310 is between the median and the 3rd quartile on the chart and would be considered reasonable.

12. Section C. Economic Feasibility Item 4. (Historical Data Chart and Projected Data Chart)*

The HSDA is utilizing more detailed Historical and Projected Data Charts. Please complete the revised Historical and Projected Data Charts provided at the end of this request for supplemental information. Please note that "Management Fees to Affiliates" should include management fees paid by agreement to the parent company, another subsidiary of the parent company, or a third party with common ownership as the applicant entity. "Management Fees to Non-Affiliates" should also include any management fees paid by agreement to third party entities not having common ownership with the applicant. Management fees should not include expense allocations for support services, e.g., finance, human resources, information technology, legal, managed care, planning marketing, quality assurance, etc. that have been consolidated/centralized for the subsidiaries of a parent company.

* Since the proposed project is not expected to be completed until 2015, please revise all utilization and financial charts in the application to reflect that Year 1 is 2015 and Year 2 is 2016

HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in 2012 NOV 28 PM 2 48 OCT (Month)

	Year 2009	Year 2010	Year 2011
A. Utilization Date (Patient Days; OP Visits)	28,474; 48,119	26,012; 45,743	26,966; 43,216
B. Revenue from Services to Patients			
1. Inpatient Services	\$ 100,341,114	\$ 98,523,064	\$ 107,748,283
2. Outpatient Services	\$ 42,937,286	\$ 42,359,969	\$ 46,908,978
3. Emergency Services			
4. Other Operating Revenue (specify) <u>cafeteria, gift shop, etc.</u>	\$ 1,864,944	\$ 2,540,315	\$ 2,756,418
Gross Operating Revenue	\$ 145,143,344	\$ 143,423,348	\$ 157,413,679
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	\$ 74,183,546	\$ 74,699,928	\$ 87,151,153
2. Provision for Charity Care			
3. Provision for Bad Debt	\$ 2,182,327	\$ 1,796,205	\$ 2,112,465
Total Deductions	\$ 76,365,873	\$ 76,496,133	\$ 89,263,618
NET OPERATING REVENUE	\$ 68,777,471	\$ 66,927,215	\$ 68,150,061
D. Operating Expenses			
1. Salaries and Wages	\$ 37,563,569	\$ 36,607,650	\$ 38,032,757
2. Physician's Salaries and Wages			
3. Supplies	\$ 10,131,883	\$ 10,087,939	\$ 10,214,555
4. Taxes			
5. Depreciation	\$ 3,551,427	\$ 3,980,296	\$ 4,192,611
6. Rent			
7. Interest, other than Capital	\$ 690,136	\$ 1,689,024	\$ 1,771,274
8. Management Fees:	\$ 5,974,728	\$ 6,335,196	\$ 6,113,328
a. Fees to Affiliates			
b. Fees to Non-Affiliates			
9. Other Expenses (Specify on separate page)	\$ 7,127,163	\$ 6,984,419	\$ 6,900,436
Total Operating Expenses	\$ 65,038,906	\$ 65,684,524	\$ 67,224,961
E. Other Revenue (Expenses) - Net (Specify)	\$ 167,130	\$ (269,141)	\$ (507,268)
NET OPERATING INCOME (LOSS)	\$ 3,905,695	\$ 973,550	\$ 417,832
F. Capital Expenditures			
1. Retirement of Principal			
2. Interest			
Total Capital Expenditures	\$ -	\$ -	\$ -
NET OPERATING INCOME (LOSS)			
LESS CAPITAL EXPENDITURES	\$ 3,905,695	\$ 973,550	\$ 417,832

PROJECTED DATA CHART

2012 NOV 28 PM 2 48

Give information for the last two (2) years following the completion of this proposal.

The fiscal year begins in OCT (Month)

	Year 1 7320, 875	Year 2 7900, 1092
A. Utilization Date (ER Visits; Scans)		
B. Revenue from Services to Patients		
1. Inpatient Services	\$ 493,618	\$ 516,306
2. Outpatient Services	\$ 2,225,841	\$ 2,893,594
3. Emergency Services	\$ 7,336,298	\$ 7,923,202
4. Other Operating Revenue (specify) _____		
Gross Operating Revenue	\$ 10,055,757	\$ 11,333,102
C. Deductions from Gross Operating Revenue		
1. Contractual Adjustments	\$ 6,921,453	\$ 7,771,822
2. Provision for Charity Care		
3. Provision for Bad Debt	\$ 150,836	\$ 169,997
Total Deductions	\$ 7,072,289	\$ 7,941,819
NET OPERATING REVENUE	\$ 2,983,468	\$ 3,391,283
D. Operating Expenses		
1. Salaries and Wages	\$ 2,007,928	\$ 2,201,964
2. Physician's Salaries and Wages		
3. Supplies	\$ 226,227	\$ 241,016
4. Taxes		
5. Depreciation	\$ 1,101,852	\$ 1,101,852
6. Rent		
7. Interest, other than Capital		
8. Management Fees:		
a. Fees to Affiliates		
b. Fees to Non-Affiliates		
9. Other Expenses (Specify on separate page)	\$ 186,620	\$ 184,822
Total Operating Expenses	\$ 3,522,627	\$ 3,729,654
E. Other Revenue (Expenses) - Net (Specify)		
NET OPERATING INCOME (LOSS)	\$ (539,159)	\$ (338,371)
F. Capital Expenditures		
1. Retirement of Principal		
2. Interest		
Total Capital Expenditures	\$ -	\$ -
LESS CAPITAL EXPENDITURES	\$ (539,159)	\$ (338,371)

HISTORICAL DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	Year 2009	Year 2010	Year 2011
1 Purchased Services	\$ 1,928,208	\$ 1,841,461	\$ 2,522,310
2 Insurance	\$ 566,741	\$ 569,733	\$ (4,202)
3 Utilities	\$ 1,057,232	\$ 1,033,381	\$ 890,266
4 Misc Expense (Charitable Donations, Travel, Seminars, Licenses and Taxes)	\$ 1,069,242	\$ 740,427	\$ 509,260
5 Professional Fees	\$ 1,787,269	\$ 1,992,810	\$ 2,050,646
6 Repairs and Maintenance	\$ 718,460	\$ 806,607	\$ 931,934
7 Gain(Loss) on Sales of Assets	\$ 11		\$ 222
Total Other Expenses	\$ 7,127,163	\$ 6,984,419	\$ 6,900,436

PROJECTED DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	Year 1	Year 2
1 Purchased Services	\$ 967	\$ 996
2 Repairs and Maintenance	\$ 183,826	\$ 186,826
3 Misc Expense	\$ 1,827	
4		
5		
6		
7		
Total Other Expenses	\$ 186,620	\$ 187,822

2012 NOV 28 PM 2 48
13. Section C, Economic Feasibility, Item 4 (Historical Data Chart)

What is included in "B.4. Other Operating Revenue" and "E. Other Revenue (Expenses) - Net"?

Please explain why net income declined from \$3,905,695 in 2009 to \$417,832 in 2011.

Response:

B.4. Other Operating Revenue includes sales from Cafeteria, Gift Shop, Library, and Boutique. Also, procedures or tests that are performed for other entities such as Mammograms on the Mobile, Tacrolimus Tests for Memphis, etc., are included in this section.

E. Other Revenue (Expenses)- Net -includes Expense for space in the POB that is owned by another entity and Contribution Revenue received from the Baptist Memorial Foundation.

The decline in revenue is attributable to various dynamics rather than a specific item. A significant change occurred in payers. Medicaid increased by 8% as a primary payer from FY 2009 to FY 2011. Also, a contract with a local business went to another provider. Unusual expenses also occurred such as the expense of \$380,550 for Inner Wireless preparation for implementation of the Electronic Patient Record in FY2011.

Although contributing forces came together and caused a decline in revenue, the main hospital campus remained strong, committed and capable of supporting the Women's satellite facility as indicated the financial reposts provided in the application.

14 Section C, Economic Feasibility, Item 4 (Projected Data Chart)*

Does this chart include only emergency room and MRI operations?

Response:

The projected data Chart includes outpatient revenue from emergency room visits and MRI operations for all patients. Many outpatients will be served by the MRI.

The projected procedures and outpatient visits do not match up with earlier projections regarding emergency room visits and MRI procedures. Please explain.

Response:

The MRI procedures and ED visits were grouped according to setting and have been adjusted to more visually demonstrate a match with projections. The MR will serve some inpatients and those procedures are included, although none of the services that pediatric ED patients experience when admitted are included in the projections. The numbers do not include inpatient revenue from any patients who were admitted through the Emergency Department.

Since a net operating loss is being projected for both Years 2014 and 2015, please provide a Projected Data Chart for BMH-W in total so that Agency members can assess the financial impact of the proposed project on the hospital's overall operations.

Response:

As requested a projected data Chart for the first year (2015) showing combined operations follows this page.

Since the applicant expects the proposed project to provide positive financial contribution by the fourth year of operation, please extend the Projected Data Charts to the fourth year of operations.

Response:

As requested, the charts following this page show emergency room and MRI operations revenue for 4 years when a positive direct cash contribution to operations occurs.

PROJECTED DATA CHART
TOTAL FACILITY YEAR 1 (2015)

Give information for the last two (2) years following the completion of this proposal.
 The fiscal year begins in OCT (Month)

	Year 1
A. Utilization Date (IP Days and OP Visits)	<u>27,314; 54,229</u>
B. Revenue from Services to Patients	
1. Inpatient Services	\$ 140,280,905
2. Outpatient Services	\$ 71,136,633
3. Emergency Services	\$ 7,336,298
4. Other Operating Revenue (specify) _____	\$ 2,135,447
Gross Operating Revenue	\$ 220,889,283
C. Deductions from Gross Operating Revenue	
1. Contractual Adjustments	\$ 133,004,850
2. Provision for Charity Care	
3. Provision for Bad Debt	\$ 3,203,737
Total Deductions	\$ 136,208,587
NET OPERATING REVENUE	\$ 84,680,696
D. Operating Expenses	
1. Salaries and Wages	\$ 45,377,747
2. Physician's Salaries and Wages	
3. Supplies	\$ 12,686,024
4. Taxes	
5. Depreciation	\$ 5,278,687
6. Rent	
7. Interest, other than Capital	\$ 1,569,041
8. Management Fees:	\$ 8,609,165
a. Fees to Affiliates	
b. Fees to Non-Affiliates	
9. Other Expenses (Specify on separate page)	\$ 14,288,580
Total Operating Expenses	\$ 87,809,244
E. Other Revenue (Expenses) - Net (Specify)	\$ (516,641)
NET OPERATING INCOME (LOSS)	\$ (3,645,189)
F. Capital Expenditures	
1. Retirement of Principal	
2. Interest	
Total Capital Expenditures	\$ -
LESS CAPITAL EXPENDITURES	\$ (3,645,189)

OTHER EXPENSES CATEGORIES

1 Purchased Services	\$ 2,219,143
2 Insurance	\$ 1,147,722
3 Utilities	\$ 899,049
4 Misc Expense (Charitable Donations, Travel, Seminars, Licenses and Taxes)	\$ 5,081,932
5 Professional Fees	\$ 3,408,313
6 Repairs and Maintenance	\$ 1,532,421
Total Other Expenses	\$ 14,288,580

PROJECTED DATA CHART 2 48

2012 NOV 28 PM 2 48

Give information for the last two (2) years following the completion of this proposal.
The fiscal year begins in OCT (Month)

	Year 1	Year 2	Year 3	Year 4
A. Utilization Date (ER Visits; Scans)	7320; 875	7900; 1092	8670; 1371	9523; 1614
B. Revenue from Services to Patients				
1. Inpatient Services	\$ 493,618	\$ 516,306	\$ 540,089	\$ 565,020
2. Outpatient Services	\$ 2,225,841	\$ 2,893,594	\$ 3,761,672	\$ 4,514,006
3. Emergency Services	\$ 7,336,298	\$ 7,923,202	\$ 8,715,522	\$ 9,587,074
4. Other Operating Revenue (specify) _____				
Gross Operating Revenue	\$ 10,055,757	\$ 11,333,102	\$ 13,017,283	\$ 14,666,100
C. Deductions from Gross Operating Revenue				
1. Contractual Adjustments	\$ 6,921,453	\$ 7,771,822	\$ 8,891,602	\$ 9,992,473
2. Provision for Charity Care				
3. Provision for Bad Debt	\$ 150,836	\$ 169,997	\$ 256,633	\$ 292,615
Total Deductions	\$ 7,072,289	\$ 7,941,819	\$ 9,148,235	\$ 10,285,088
NET OPERATING REVENUE	\$ 2,983,468	\$ 3,391,283	\$ 3,869,048	\$ 4,381,012
D. Operating Expenses				
1. Salaries and Wages	\$ 2,007,928	\$ 2,201,964	\$ 2,415,203	\$ 2,649,555
2. Physician's Salaries and Wages				
3. Supplies	\$ 226,227	\$ 241,016	\$ 260,970	\$ 282,916
4. Taxes				
5. Depreciation	\$ 1,101,852	\$ 1,101,852	\$ 1,101,852	\$ 1,101,852
6. Rent				
7. Interest, other than Capital				
8. Management Fees:				
a. Fees to Affiliates				
b. Fees to Non-Affiliates				
9. Other Expenses (Specify on separate page)	\$ 186,620	\$ 184,822	\$ 196,047	\$ 201,929
Total Operating Expenses	\$ 3,522,627	\$ 3,729,654	\$ 3,974,072	\$ 4,236,252
E. Other Revenue (Expenses) - Net (Specify)				
NET OPERATING INCOME (LOSS)	\$ (539,159)	\$ (338,371)	\$ (105,024)	\$ 144,760
F. Capital Expenditures				
1. Retirement of Principal				
2. Interest				
Total Capital Expenditures	\$ -	\$ -	\$ -	\$ -
LESS CAPITAL EXPENDITURES	\$ (539,159)	\$ (338,371)	\$ (105,024)	\$ 144,760

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PROJECTED DATA CHART-OTHER EXPENSES

<u>OTHER EXPENSES CATEGORIES</u>	Year 1	Year 2	Year 3	Year 4
1 Purchased Services	\$ 967	\$ 996	\$ 1,026	\$ 1,057
2 Repairs and Maintenance	\$ 183,826	\$ 186,826	\$ 195,021	\$ 200,872
3 Misc Expense	\$ 1,827			
4				
5				
6				
7				
Total Other Expenses	\$ 186,620	\$ 187,822	\$ 196,047	\$ 201,929

15 Section C, Economic Feasibility, Item 6

Please compare the applicant's gross charge for MRI services to the gross charges of other MRI providers in the service area utilizing information from the HSDA Equipment Registry.

Response:

The average gross approximate charge over all types of MRI procedures for an MRI procedure is \$2,310 for inpatients and \$3,225 for outpatients. The overall average charge across both categories is \$3,014.

The chart from the equipment registry below places the overall average charge of \$3,014 between the median and 3rd quartile which indicates that the amount is reasonable.

Charges per Procedure/Treatment**By Quartiles****YEAR = 2011**

Equipment Type	1st Quartile	Median	3rd Quartile
CT Scanner	\$878.41	\$1,565.40	\$2,315.99
Linear Accelerator	\$849.28	\$1,020.87	\$1,275.82
Lithotripter	\$7,845.00	\$11,707.03	\$15,061.62
MRI	\$1,612.71	\$2,094.79	\$3,162.71
PET Scanner	\$3,603.23	\$4,421.36	\$5,323.11

Source: Medical Equipment Registry - 9/24/2012

16. Section C Economic Feasibility Item 10

The letter from Deloitte & Touche is unclear. If Deloitte and Touche audited the combined financial statements of Baptist Memorial Health Care Corporation, then please provide this information.

Response:

Copies of the most recent financial statements for Baptist Memorial Hospital are provided in the application along with a letter from the Chief Financial Officer of the Baptist Memorial Health Care Corporation. Funding for this project is available through the affiliated corporation, Baptist Memorial Hospital.

The letter from Deloitte and Touche is to confirm that the information in the financial statements for the hospital is included in audited materials.

**17. Section C, Contribution to the Orderly Development of Health Care,
Item 3**

Does the staffing chart include staff for the MRI unit?

Please compare the clinical staff salaries in the proposal to prevailing wage patterns in the service area as published by the Tennessee Department of Labor & Workforce Development and/or other documented sources.

Response :

Source: Tennessee Department of Labor & Workforce Development, Employment Security Division, Labor Market Information. Publish date May 2012.

Job Title	BMH Wage	Mean wage	Entry wage	Exp. wage	25th pct	Median wage	75th pct
Registered Nurse	31.81	31.7	23.55	35.8	25.1	29.35	34.75
Pharmacist- Clinical	58.2	55.5	45.15	60.65	51.2	57.65	65.35
Pharmacy Technician	19.51	13.95	10.15	15.8	10.95	13.55	16.75
Respiratory Therapist	23.51	23.55	19.85	25.4	20.65	23.5	26.7
Radiology Technologist	27.8	24.8	19.75	27.35	21.05	24.4	28.05
Medical Technologist	29.51	28	21.75	31.15	24.05	27.85	32.7

18. Project Completion Forecast Chart

The date for the Agency's decision on the first line of the form was left blank. Please fill in this line. Please complete the "DAYS REQUIRED" column.

Since the proposed project is not expected to be completed until 2015, please revise all utilization and financial charts in the application to reflect that Year 1 is 2015 and Year 2 is 2016.

Please make the necessary changes and submit a revised Project Completion Forecast Chart.

Response:

The necessary changes have been made and a new project completion forecast chart is provided.

PROJECT COMPLETION FORECAST CHART

2012 NOV 28 PM 2:48

Enter the Agency projected Initial Decision date, as published in T.C.A. § 68-11-1609(c): _____

Assuming the CON approval becomes the final agency action on that Feb 27, 2013; indicate the number of days from the above agency decision date to each phase of the completion forecast.

<u>Phase</u>	<u>DAYS REQUIRED</u>	<u>Anticipated Date (MONTH/YEAR)</u>
1. <u>Architectural and engineering contract signed</u>	<u>10</u>	<u>03/2013</u>
2. <u>Construction documents approved by the Tennessee Department of Health</u>	<u>55</u>	<u>04/2013</u>
3. <u>Construction contract signed</u>	<u>70</u>	<u>05/2013</u>
4. <u>Building permit secured</u>	<u>90</u>	<u>05/2013</u>
5. <u>Site preparation completed</u>	<u>120</u>	<u>06/2013</u>
6. <u>Building construction commenced</u>	<u>120</u>	<u>06/2013</u>
7. <u>Construction 40% complete</u>	<u>330</u>	<u>01/2014</u>
8. <u>Construction 80% complete</u>	<u>519</u>	<u>07/2014</u>
9. <u>Construction 100% complete (approved for occupancy)</u>	<u>673</u>	<u>01/2015</u>
10. <u>*Issuance of license</u>	<u>700</u>	<u>02/2015</u>
11. <u>*Initiation of service</u>	<u>725</u>	<u>02/2015</u>
12. <u>Final Architectural Certification of Payment</u>	<u>785</u>	<u>04/2015</u>
13. <u>Final Project Report Form (HF0055)</u>	<u>845</u>	<u>06/2015</u>

* For projects that do NOT involve construction or renovation: Please complete items 10 and 11 only.Note: If litigation occurs, the completion forecast will be adjusted at the time of the final determination to reflect the actual issue date.

Copy

Supplemental #2

**Baptist Memorial Hospital for
Women**

CN1211-058

November 29, 2012

11:34am

2012 NOV 30 AM 11 34

November 29, 2012

Mark A. Farber, Assistant Executive Director
Health Services and Development Agency
Andrew Jackson Building
500 Deaderick Street, Suite 850
Nashville, TN 37243

RE: Certificate of Need Application CN1211-058
Baptist Memorial Hospital for Women

Dear Mr. Farber

Enclosed are the responses to the need for clarification or additional discussion on items in the CON application referenced above.

Please contact me if you need additional information. Thank you for your attention.

Sincerely,



Arthur Maples
Dir. Strategic Analysis

Enclosure

SUPPLEMENTAL RESPONSES 2

**PEDIATRIC EMERGENCY DEPARTMENT ADDITION
AND MRI ACQUISITION**

BAPTIST MEMORIAL HOSPITAL FOR WOMEN

CN1211-058

1. Section B. II.E., Project Description

Please identify the age of the GE Signa Excite 1.5T MRI System.

Response:

The 1.5T K4 Magnet vessel was purchased as an Infinity model in 2002. As previously explained, it was upgraded to a Signa Excite in 2004 and has 11x software. The K4 class GE magnet with recirculating device operates with very little loss of coolant. The life of the machine is determined by measuring new developments in the field and determining whether an upgrade is needed. This machine is ACR certified in all 5 modalities: Brain, Spine, Extremities, Cardiac, Body and Breast.

2. Section C, Need Item 1

Regarding Principle #3, Economic Efficiencies, did the applicant consider the alternative of a joint arrangement for use of existing emergency services with one of the two dedicated pediatric hospitals in Memphis, St. Jude's or LeBonheur?

Response:

A joint arrangement was not discussed for several reasons. The location of the ED allows better access for patients within the region who seek care at the facility located in East Memphis. The pediatric ED services are closer to many and better situated to provide quicker access because of travel time. Some pediatric patients come from the BMH-DeSoto service area due to distance and preference. The community is familiar with pediatric ED services that have been provided on the Memphis campus for several years.

The 40 bed NICU is also an asset for families. BMHW provides obstetrical services and more than 5300 babies were born there last year. Enhancing the child care continuum from birth through the pediatric ages on the BMHW campus is a natural extension of the care.

Other substantial hurdles to providing joint emergency services are the legal regulations and liability responsibilities. There is also a difference in focus of care. St. Jude's focuses on oncology patients and Le Bonheur is the pediatric trauma center for the area.

3. Section C Item 1.a. (Service Specific Criteria-Construction, Renovation, etc.)

What year does this data represent? What is the source of this data? Is it possible to identify the hospitals and their county location? If not check with the Department of Health, Division of Health Statistics to see if they could run the report with identifying information.

Response:

The data in the chart provided was from the THA data base for the most recent 12 month period available which is the first 2 quarters of 2012 and the last 2 quarters of 2011. To identify the hospitals, the Department of Health has provided the chart on the following pages.

2010 Destination of Pediatric (Age 0-18) Service Area Residents for Emergency Room Visits

HospitalID	Hospital	County	Fayette County, TN Resident ER Visits	Shelby County, TN Resident ER Visits	Tipton County, TN Resident ER Visits	Total Service Area Resident ER Visits
01202	Methodist Medical Center of Oak Ridge	Anderson	0	1	0	1
01452	Ridgeview Psychiatric Hospital and Center	Anderson	0	0	0	0
02214	Heritage Medical Center	Bedford	0	0	0	0
03225	Camden General Hospital	Benton	0	8	2	10
04213	Erlanger-Bledsoe	Bledsoe	0	1	0	1
05202	Blount Memorial Hospital	Blount	0	0	0	0
05402	Peninsula Hospital	Blount	0	0	0	0
06223	Skyridge Medical Center	Bradley	0	3	0	3
06233	Skyridge Medical Center Westside	Bradley	0	0	0	0
07242	Saint Mary's Medical Center of Campbell County	Campbell	0	0	0	0
07252	Jellico Community Hospital, Inc.	Campbell	0	0	0	0
08214	Stones River Hospital	Cannon	0	0	0	0
09245	Baptist Memorial Hospital - Huntingdon	Carroll	0	2	0	2
09255	McKenzie Regional Hospital	Carroll	0	11	2	13
10221	Sycamore Shoals Hospital	Carter	0	1	0	1
11204	Centennial Medical Center at Ashland City	Cheatam	0	2	0	2
13202	Claiborne County Hospital	Claiborne	0	1	0	1
14204	Cumberland River Hospital	Clay	0	0	0	0
15222	Baptist Hospital of Cocke County	Cocke	0	1	0	1
16214	United Regional Medical Center	Coffee	0	0	0	0
16234	Harton Regional Medical Center	Coffee	2	0	0	2
16244	Medical Center of Manchester	Coffee	0	0	0	0
18224	Cumberland Medical Center	Cumberland	0	0	0	0
19214	Southern Hills Medical Center	Davidson	0	6	0	6
19234	Skyline Medical Center Campus	Davidson	0	0	0	0
19244	Metro Nashville General Hospital	Davidson	0	12	1	13
19254	Baptist Hospital	Davidson	0	15	0	15
19274	Saint Thomas Hospital	Davidson	0	6	1	7
19284	Vanderbilt University Hospitals	Davidson	1	47	0	48
19324	Centennial Medical Center	Davidson	1	12	0	13
19334	Skyline Medical Center	Davidson	0	7	0	8
19344	Summit Medical Center	Davidson	0	11	1	12
19354	The Center for Spinal Surgery	Davidson	0	0	0	0
19404	Middle Tennessee Mental Health Institute	Davidson	0	0	0	0
79486	Civic Specialty Hospital	Shelby	0	0	0	0
63404	Behavioral Healthcare Center at Clarksville	Montgomery	0	0	0	0
19754	Kindred Hospital - Nashville	Davidson	0	0	0	0
19764	Vanderbilt Stalworth Rehabilitation Hospital	Davidson	0	0	0	0
19774	Nashville Rehabilitation Hospital	Davidson	0	0	0	0
19784	Select Specialty Hospital - Nashville	Davidson	0	0	0	0

2010 Destination of Pediatric (Age 0-18) Service Area Residents for Emergency Room Visits

HospitalID	Hospital	County	Fayette County, TN Resident ER Visits	Shelby County, TN Resident ER Visits	Tipton County, TN Resident ER Visits	Total Service Area Resident ER Visits
20205	Decatur County General Hospital	Decatur	0	5	0	5
21234	DeKalb Community Hospital	DeKalb	0	1	0	1
22204	Horizon Medical Center	Dickson	0	1	1	2
23215	Dyersburg Regional Medical Center	Dyer	1	5	5	11
24226	Methodist Healthcare - Fayette	Fayette	1,245	119	57	1,421
25204	Jamestown Regional Medical Center	Fentress	0	0	0	0
26204	Emerald - Hodgson Hospital	Franklin	0	1	0	1
26224	Southern Tennessee Medical Center	Franklin	0	1	0	1
27205	Milan General Hospital	Gibson	0	5	0	5
27245	Gibson General Hospital	Gibson	0	4	0	4
27255	Humboldt General Hospital	Gibson	0	2	0	2
28214	Hillside Hospital	Giles	0	0	0	0
30221	Laughlin Memorial Hospital	Greene	0	0	0	0
30231	Takoma Regional Hospital	Greene	0	0	0	0
32242	Morristown - Hamblen Healthcare System	Hamblen	0	0	0	0
32252	Lakeway Regional Hospital	Hamblen	0	1	0	1
33203	Erlanger Medical Center	Hamilton	0	35	0	35
33213	Erlanger North	Hamilton	0	0	0	0
33223	Memorial North Park	Hamilton	0	1	0	1
33233	Erlanger East	Hamilton	0	0	2	2
33323	Memorial Healthcare System, Inc.	Hamilton	0	2	0	2
33383	Parkridge Medical Center, Inc.	Hamilton	0	1	0	1
33393	Parkridge East Hospital	Hamilton	0	1	0	1
33423	Moccasin Bend Mental Health	Hamilton	0	0	0	0
33433	Parkridge Valley Hospital	Hamilton	0	0	0	0
33443	ABS Linco TN, Inc.	Hamilton	0	0	0	0
33753	Siskin Hospital for Physical Rehabilitation	Hamilton	0	0	0	0
33763	HealthSouth Chattanooga Rehabilitation Hospital	Hamilton	0	0	0	0
33773	Kindred Hospital - Chattanooga	Hamilton	0	0	0	0
34201	Wellmont Hancock County Hospital	Hancock	0	0	0	0
35215	Bolivar General Hospital	Hardeman	13	14	1	28
35405	Western Mental Health Institute	Hardeman	0	0	0	0
36205	Hardin Medical Center	Hardin	4	19	2	25
37221	Wellmont Hawkins County Memorial Hospital	Hawkins	0	1	0	1
38225	Haywood Park Community Hospital	Haywood	16	9	11	36
39215	Henderson County Community Hospital	Henderson	0	2	2	4
40225	Henry County Medical Center	Henry	0	8	3	11
41214	Hickman Community Hospital	Hickman	0	2	0	2
42204	Patients' Choice Medical center of Erin	Houston	0	0	0	0
43204	Three Rivers Hospital	Humphreys	0	1	2	3

2010 Destination of Pediatric (Age 0-18) Service Area Residents for Emergency Room Visits

HospitalID	Hospital	County	Fayette County, TN				Shelby County, TN				Tipton County, TN				Total Service Area	
			Resident ER Visits	1	0	0	Resident ER Visits	0	8	0	Resident ER Visits	0	0	0	Resident ER Visits	1
45242	Saint Mary's Jefferson Memorial Hospital, Inc.	Jefferson	0	0	0	0	0	0	0	0	0	0	0	0	0	0
46201	Johnson County Community Hospital	Knox	0	0	0	0	8	0	0	0	0	0	0	0	8	0
47212	Fort Sanders Regional Medical Center	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47242	Mercy Medical Center	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47252	Mercy Riverside	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47282	University of Tennessee Memorial Hospital	Knox	0	0	0	0	43	0	0	1	1	0	0	0	44	0
47292	East Tennessee Children's Hospital	Knox	0	0	0	0	16	0	0	1	1	0	0	0	17	0
47322	Parkwest Medical Center	Knox	0	0	0	0	2	0	0	0	0	0	0	0	2	0
47332	Mercy Medical Center West	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47352	Mercy Medical Center North	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47402	Lakeshore Mental Health Institute	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47752	Select Specialty Hospital - Knoxville	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
47762	Select Specialty Hospital - North Knoxville	Knox	0	0	0	0	0	0	0	0	0	0	0	0	0	0
49206	Lauderdale Community Hospital	Lauderdale	0	0	0	0	7	0	0	22	0	0	0	0	29	0
50234	Crockett Hospital	Lawrence	0	0	0	0	0	0	0	0	0	0	0	0	0	0
52214	Lincoln Medical Center	Lincoln	0	0	0	0	0	0	0	0	0	0	0	0	0	0
53202	Fort Loudoun Medical Center	Loudon	0	0	0	0	1	0	0	0	0	0	0	0	1	0
54233	Woods Memorial Hospital	McMinn	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54243	Athens Regional Medical Center	McMinn	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55225	McNairy Regional Hospital	McNairy	2	0	0	0	7	0	0	0	0	0	0	0	9	0
56204	Macon County General Hospital	Macon	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57245	Jackson - Madison County General Hospital	Madison	8	0	0	0	48	0	0	18	0	0	0	0	74	0
57265	Regional Hospital of Jackson	Madison	4	0	0	0	24	0	0	2	0	0	0	0	30	0
57405	Pathways of Tennessee	Madison	0	0	0	0	0	0	0	0	0	0	0	0	0	0
58233	Grandview Medical Center	Marion	0	0	0	0	0	0	0	0	0	0	0	0	0	0
59244	Marshall Medical Center	Marshall	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60224	Maury Regional Hospital	Maury	0	0	0	0	3	0	0	0	0	0	0	0	3	0
62202	Sweetwater Hospital Association	Monroe	0	0	0	0	0	0	0	0	0	0	0	0	0	0
63204	Gateway Medical Center	Montgomery	0	0	0	0	9	0	0	2	0	0	0	0	11	0
66205	Baptist Memorial Hospital - Union City	Obion	0	0	0	0	11	0	0	1	0	0	0	0	12	0
67214	Livingston Regional Hospital	Overton	0	0	0	0	1	0	0	0	0	0	0	0	1	0
68204	Perry Community Hospital	Perry	0	0	0	0	2	0	0	0	0	0	0	0	2	0
70223	Copper Basin Medical Center	Polk	0	0	0	0	0	0	0	0	0	0	0	0	0	0
71204	Cookeville Regional Medical Center	Putnam	0	0	0	0	3	0	0	1	0	0	0	0	4	0
72223	Rhea Medical Center	Rhea	0	0	0	0	0	0	0	0	0	0	0	0	0	0
73212	Roane Medical Center	Roane	0	0	0	0	0	0	0	0	0	0	0	0	0	0
74214	NorthCrest Medical Center	Robertson	0	0	0	0	1	0	0	0	0	0	0	0	1	0
75214	Middle Tennessee Medical Center	Rutherford	1	0	0	0	34	0	0	0	0	0	0	0	39	0
75234	StoneCrest Medical Center	Rutherford	2	0	0	0	7	0	0	0	0	0	0	0	9	0
76212	Scott County Hospital	Scott	0	0	0	0	1	0	0	0	0	0	0	0	1	0

2010 Destination of Pediatric (Age 0-18) Service Area Residents for Emergency Room Visits

HospitalID	Hospital	County	Fayette County, TN Resident ER Visits	Shelby County, TN Resident ER Visits	Tipton County, TN Resident ER Visits	Total Service Area Resident ER Visits
78232	LeConte Medical Center	Sevier	1	7	2	10
79216	Baptist Memorial Hospital	Shelby	118	6,815	211	7,144
79236	Methodist Hospital - Germantown	Shelby	298	9,538	109	9,945
79246	The Regional Medical Center at Memphis	Shelby	16	2,298	27	2,341
79256	Saint Jude Children's Research Hospital	Shelby	0	0	0	0
79266	Methodist Hospital - South	Shelby	3	9,360	7	9,370
79276	Methodist Healthcare - Memphis Hospitals	Shelby	6	1,346	10	1,362
79296	Methodist Hospital - North	Shelby	27	6,567	382	6,976
79306	LeBonheur Children's Medical Center	Shelby	393	34,242	920	35,555
79326	Baptist Memorial Hospital - Collierville	Shelby	253	1,502	10	1,765
79386	Delta Medical Center	Shelby	3	3,134	0	3,137
79396	Saint Francis Hospital	Shelby	15	2,277	7	2,299
79446	Memphis Mental Health Institute	Shelby	0	0	0	0
79456	Lakeside Behavioral Health System	Shelby	0	0	0	0
79476	Community Behavioral Health	Shelby	0	0	0	0
79506	Baptist Memorial Hospital for Women	Shelby	0	10	0	10
79516	Saint Francis Hospital - Bartlett	Shelby	209	3,983	235	4,427
79756	HealthSouth Rehabilitation Hospital	Shelby	0	0	0	0
79766	Baptist Rehabilitation - Germantown	Shelby	0	0	0	0
79776	Baptist Memorial Restorative Care Hospital	Shelby	0	0	0	0
79786	Select Specialty Hospital - Memphis	Shelby	0	0	0	0
79796	Methodist Extended Care Hospital, Inc.	Shelby	0	0	0	0
79806	HealthSouth Rehabilitation Hospital - Memphis North	Shelby	0	0	0	0
80204	Riverview Regional Medical Center North	Smith	0	0	0	0
80214	Riverview Regional Medical Center South	Sullivan	0	1	0	1
82201	Wellmont Bristol Regional Medical Center	Sullivan	0	0	0	0
82211	Wellmont - Holston Valley Medical Center, Inc.	Sullivan	0	0	0	0
82251	Indian Path Medical Center	Sullivan	0	0	0	0
82401	Indian Path Pavilion	Sullivan	0	0	0	0
82751	HealthSouth Rehabilitation Hospital	Sullivan	0	0	0	0
82761	Select Specialty Hospitals - Tricities, Inc.	Sullivan	0	0	0	0
83204	Portland Medical Center	Sumner	0	0	0	0
83244	Sumner Regional Medical Center	Sumner	0	0	0	0
83254	Hendersonville Medical Center	Sumner	0	0	0	0
84256	Baptist Memorial Hospital - Tipton	Sumner	1	5	0	6
85214	Trousdale Medical Center	Tipton	10	247	4,545	4,802
86211	Unicoi County Memorial Hospital, Inc.	Unicoi	0	0	0	0
89234	River Park Hospital	Warren	0	2	0	2
90231	North Side Hospital	Washington	0	0	0	0
90251	Johnson City Specialty Hospital	Washington	0	0	0	0

2010 Destination of Pediatric (Age 0-18) Service Area Residents for Emergency Room Visits

HospitalID	Hospital	County	Fayette County, TN Resident ER Visits	Shelby County, TN Resident ER Visits	Tipton County, TN Resident ER Visits	Total Service Area Resident ER Visits
90281	Johnson City Medical Center	Washington	0	5	0	5
90411	Woodridge Psychiatric Hospital	Washington	0	0	0	0
90751	James H. and Cecile Quillen Rehab Hospital	Washington	0	0	0	0
91214	Wayne Medical Center	Wayne	0	1	0	1
92225	Volunteer Community Hospital	Weakley	0	21	2	23
92405	Behavioral Healthcare Center at Martin	Weakly	0	0	0	0
92795	HealthSouth Cane Creek Rehabilitation Center	Weakley	0	0	0	0
93204	White County Community Hospital	White	0	2	0	2
94234	Williamson Medical Center	Williamson	0	6	0	6
94804	Rolling Hills Hospital	Williamson	0	0	0	0
95204	McFarland Hospital	Wilson	0	0	0	0
95224	University Medical Center	Wilson	0	0	0	0
Totals			2,654	81,985	6,613	91,252

4. Section C Item 1.a. (Service Specific Criteria-Magnet Resonance Imaging Services) 2.

Your response to this item is noted. Is the MRI unit accessible to at least 75% of the service area population?

Response:

Yes. The proposed relocation will be to a campus adjacent to the original location at BMHM.

The same population that was the source of the study from which the service area was defined is still served by the same MRI. The three Tennessee and single Mississippi counties and used to identify the service area account for more than 75% of the cases.

5. Section C Item 1.a. (Service Specific Criteria-Magnet Resonance Imaging Services) 4.

Your response to this item is noted. What was the combined average number of MRI procedures per unit for the MRI units operating in the service area in 2011?

Response:

The sum of procedures in the 2011 Procedures column is	115,058.00
The sum of the units in the 2011 Units column is	42.00
The average number of MRI procedures per unit in 2011 is	2,739.48

6. Section C Item 1.a. (Service Specific Criteria-Magnet Resonance Imaging Services) 7.a.

How is the space being renovated for the MRI services currently being used? If there are existing services currently in that space, to where will those services be relocated?

Response:

The space proposed to be renovated for the MRI is currently registration and waiting space for pediatric outpatient services. The area will be relocated to the proposed ED shown on the schematic as Pediatric outpatient services.

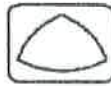
7. Section C Item 1.a. (Service Specific Criteria-Magnet Resonance Imaging Services) 7.c.

Please explain how emergencies will be handled.

Response:

Emergencies will be handled according to established medical policies and procedure with additional precautions to move patients away from the MRI equipment hazards.

A detailed description is provided on the following page from the MRI policy and procedure manual that will be adapted for use at BMHW. Guidelines for handling Medical Emergencies at BMHW are also included.



BAPTIST MEMORIAL HOSPITAL

MRI POLICY AND PROCEDURE MANUAL

Effective Date: 8/1/02	SAFETY PRECAUTIONS FOR MEDICAL EMERGENCY RESPONSE PERSONNEL
Last Review/Revision: 2/8/11	
Reference: MR013	

Policy: To protect patients and staff from the "missile effect", the patient is removed from the scanning area in the event of a medical emergency, so emergency response personnel can not enter.

Procedure:

1. In the event of a medical emergency such as cardiac or respiratory arrest, or other situation requiring emergency medical intervention, the patient is evacuated from the magnetic field as rapidly as possible.
2. MR personnel immediately initiate CPR and/or other basic life support, as needed to stabilize the patient, and evacuate the patient a magnetically safe location such that full resuscitative efforts may continue.
3. The restrictions on entry to the scanning area still apply, even in an emergency situation, since **the magnetic field is still on.**
4. Therefore the goal is that emergency response personnel need not enter the room, because:
 - a. The crash cart cannot be taken into the scan room;
 - b. Emergency response personnel cannot enter the scan room without removing all metal objects; and
 - c. In the urgency of the moment it is unlikely that anyone would remember to do so.
 - d. Don't crash the crash cart!
5. The door to the magnet room is locked to prevent personnel from accidentally accessing.
6. "Quenching" the magnet is not advised in a medical emergency situation, since there are other hazards associated with a "quench".



**BAPTIST MEMORIAL HOSPITAL
Women's Campus**

PATIENT CARE POLICY AND PROCEDURE MANUAL

Effective Date: 5/01	CODE BLUE GUIDELINES
Last Review/Revision: 12/01 (header only), 1/02, 4/02, 6/02, 12/03; 4/04; 4/05, 12/05, 12/07, 12/08; 5/08 (header only), 3/11, 1/12, 10/12 (header)	
Reference #: 1-17	

PURPOSE: Provide emergency measures to restore the patient's spontaneous heart beat and respirations.

EQUIPMENT:

Crash Cart (Adult cart)	Patient Chart	
Rescue Kit	Emergency Drug Tray	Notification of Death Form
Board	Defibrillator/Automated	
Resuscitation Record	External Defibrillator	
Portable Suction	Defibrillator	

PROCEDURE:

1. The Baptist Memorial Hospital for Women - Code Blue Team is made up of hospital employees that are designated to respond to emergency situations within the Hospital. The code is managed by a physician or an ICU RN trained in Advanced Cardiac Life Support (ACLS).
2. This team may be composed of the following staff:
 - Nursing staff on the area of the emergency situation
 - Administrative Nursing Supervisor
 - MD Anesthesia
 - Respiratory Therapy
 - PACU/Critical Care Nurse
 - L&D Charge Nurse
 - House Anesthesia
 - On site OB physician
 - Chaplain
 - Security – Traffic control – (outside acute patient care areas– respond with AED)

A. First Responder:

1. Establishes unresponsiveness.

2. Calls for help using one of the following:
 - a. Presses designated "Code Blue" button.
 - b. Pulls Emergency call light in bathroom
 - c. Presses intercom button from the patient's room and notifies UC to initiate the Code Blue alert paging system, if adult, and Code Blue Lily for a pediatric patient.
 - d. Calls Security at 7-9797 from the patient's room to initiate the Code Blue alert paging system. The nurse will give Security the location of the emergency.
3. Assesses circulation
 - a. Places board under patient and begins CPR if necessary
4. Assesses Respirations
 - a. Opens airway and delivers rescue breaths
5. Evaluates emergency equipment needed:
 - a. If intubation only is necessary, use Rescue Kit.
 - b. If emergency drugs only are needed, (e.g. atropine, lidocaine), use Emergency Drug Tray.
6. Those registered nurses, who have completed the defibrillator/automated defibrillator education will:
 1. Apply the external electrodes
 2. Utilize the "Analyze" mode of the defibrillator/AED
 3. Shock as needed
- B. Unit personnel bring to room:
 1. crash cart.
 2. defibrillator/automated external defibrillator.
 3. patient's chart.
 4. Emergency Drug Tray (Adult).
 5. Rescue kit: intubation equipment in tackle box (Adult).
- C. Nurse assigned to patient:
 1. Verifies Advance Directives/Code Status.
 2. Remains in room with patient.
 3. Establishes or assists with IV access as necessary.
 4. Reports brief history and current assessment findings to Code Blue personnel as they arrive.
- D. Charge Nurse:
 1. Directs other unit personnel to ensure care of other patients.
- E. Administrative House Supervisor
 1. Verifies all Code Blue personnel present.
 2. Assigns roles as available:
 - Runner to transport specimens to lab.
 3. Assesses need for and obtains additional personnel/equipment
 4. Clears patient room/hallway of unneeded personnel/equipment
 5. Notifies a neighboring unit to bring emergency equipment to site in the event of emergency equipment failure or second emergency.
 6. Upon determination that all available personnel and equipment is present, the House Supervisor will, or designates a staff member to, discontinue the emergency alert system.
 7. Coordinates patient disposition post Code Blue
 8. The House Supervisor will notify the Administrator on call and the nurse manager of the event.

F. Unit Coordinator

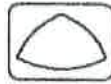
1. Contacts attending physician.
2. Contacts Pastoral Care Department.
3. Directs Code personnel to room as they arrive.
4. Directs family members to prayer room/conference room or other private area.
5. Any available UC reports to the site of an emergency and offers secretarial support during a Code Blue

G. Code Blue Team, upon arrival, will:

1. Monitor and defibrillate the patient as indicated
2. Prepare medications as directed by physician, or delegates an RN to prepare medications.
3. Perform chest compressions, or delegate to another qualified staff person.
4. Records medications/treatments on Resuscitation Record or delegates an RN to document

H. Post Code Blue

1. Unit personnel return used Adult Crash Cart, Rescue Kit and/or Emergency Drug Tray or Pediatric crash cart to Pharmacy/CSR and obtain replacement supplies.
2. Complete Resuscitation Record, including signatures of MD and RN completing record.
3. Complete Notification of Death form, if necessary.



**BAPTIST MEMORIAL HOSPITAL
Women's Campus**

PEDIATRIC POLICY AND PROCEDURE MANUAL

Effective Date: 5/12	CODE BLUE LILY GUIDELINES
Last Review/Revision: 10/12(header)	
Reference #: 19-5	

PURPOSE: Provide emergency measures to restore the patient's spontaneous heart beat and respirations.

EQUIPMENT: Pediatric Emergency Crash Cart Portable Suction
Defibrillator/Automated Patient Chart
External defibrillator (AED) Notification of Death Form
Emergency Drug Tray

GUIDELINES:

1. The BMHW Code Blue LILY Team is comprised of hospital employees designated to respond to pediatric emergency situations within the hospital. The code is managed by a physician or an RN trained in Pediatric Advanced Life Support (PALS).

2. The team may be composed of the following staff:

- responder Nursing staff on the area of the emergency situation/ First
- Administrative Nursing Supervisor
- MD Anesthesia
- Respiratory Therapy
- PACU RN
- Pediatric Charge Nurse
- NICU Charge Nurse/ First Admit
- Hospitalist/Neonatologist
- Chaplain
- Security

A. First Responder:

1. Establishes unresponsiveness.
2. Calls for help using one of the following:
 - a. Presses designated "Code Blue" button and delegates another staff member to call Security 79797 and notify of a Code Blue LILY.

- b. Pulls Emergency call light in bathroom
 - c. Presses intercom button from the patient's room and notifies UC to initiate a Code Blue LILY.
 - d. Calls Security at 7-9797 from the patient's room to initiate the Code Blue LILY alert paging system. The nurse will give Security the location of the emergency.
 - When a LILY emergency is indentified, a call to Security is necessary to designate the emergency as a Code Blue LILY
3. Assesses circulation
 - a. Places board under patient and begins CPR if necessary
 4. Assesses Respirations
 - a. Opens airway and delivers rescue breaths
 5. Evaluates emergency equipment needed:
 - a. If intubation only is necessary, use Rescue Kit.
 - b. If emergency drugs only are needed, (e.g. atropine, lidocaine), use Emergency Drug Tray.
 6. Those registered nurses, who have completed the defibrillator/automated defibrillator education will:
 1. Apply the external electrodes
 2. Utilize the "Analyze" mode of the defibrillator/AED
 3. Shock as needed
- B. Unit personnel bring to room:
1. crash cart.
 2. defibrillator/automated external defibrillator.
 3. patient's chart.
 4. Emergency Drug Tray (Pediatric).
- C. Nurse assigned to patient:
1. Verifies Advance Directives/Code Status.
 2. Remains in room with patient.
 3. Establishes or assists with IV access as necessary.
 4. Reports brief history and current assessment findings to Code Blue LILY personnel as they arrive.
- D. Charge Nurse:
1. Directs other unit personnel to ensure care of other patients.
- E. Administrative House Supervisor
1. Verifies all Code Blue LILY personnel present.
 2. Assigns roles as available:
 - Runner to transport specimens to lab.
 3. Assesses need for and obtains additional personnel/equipment
 4. Clears patient room/hallway of unneeded personnel/equipment
 5. Notifies a neighboring unit to bring emergency equipment to site in the event of emergency equipment failure or second emergency.
 6. Upon determination that all available personnel and equipment is present, the House Supervisor will, or designates a staff member to, discontinue the emergency alert system.
 7. Coordinates patient disposition post Code Blue LILY
 8. The House Supervisor will notify the Administrator on call and the nurse manager of the event.

- F. Unit Coordinator
 - 1. Contacts attending physician.
 - 2. Contacts Pastoral Care Department.
 - 3. Directs Code personnel to room as they arrive.
 - 4. Directs family members to prayer room/conference room or other private area.
 - 5. Any available UC reports to the site of an emergency and offers secretarial support during a Code Blue LILY
- G. Code Blue LILY Team, upon arrival, will:
 - 1. Monitor and defibrillate the patient as indicated
 - 2. Prepare medications as directed by physician, or delegates an RN to prepare medications.
 - 3. Perform chest compressions, or delegate to another qualified staff person.
 - 4. Records medications/treatments on Resuscitation Record or delegates an RN to document
- H. Post Code Blue LILY
 - 1. Unit personnel return used Pediatric Crash Cart, Emergency Drug Tray or Pediatric crash cart to Pharmacy/CSR and obtain replacement supplies.
 - 2. Complete Resuscitation Record, including signatures of MD and RN completing record.
 - 3. Complete Notification of Death form, if necessary.

8. Section C Item 1.a. (Service Specific Criteria-Magnet Resonance Imaging Services) 7.d.

Please discuss the protocols that will be established.

Response:

Protocols will be developed to include a review of ACR appropriateness criteria for MR.

An example is provided on the following page.



U.S. Department of Health & Human Services



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Guideline Title

ACR Appropriateness Criteria® suspected small-bowel obstruction.

Bibliographic Source(s)

Small WC, Rose TA Jr, Rosen MP, Blake MA, Baker ME, Cash BD, Fidler JL, Greene FL, Jones B, Katz DS GS, Tulchinsky M, Yee J, Expert Panel on Gastrointestinal Imaging. ACR Appropriateness Criteria® suspected small-bowel obstruction. [online publication]. Reston (VA): American College of Radiology (ACR); 2010. 6 p. [68 references]

Guideline Status

This is the current release of the guideline.

This guideline updates a previous version: Huprich JE, Rosen MP, Fidler JL, Gay SB, Grant TH, Greene FL, DC, Sudakoff GS, Expert Panel on Gastrointestinal Imaging. ACR Appropriateness Criteria® suspected small-bowel obstruction. [online publication]. Reston (VA): American College of Radiology (ACR); 2008. 5 p. [46 references]

The appropriateness criteria are reviewed biennially and updated by the panels as needed, depending on highly significant scientific evidence.

Jump To

Guideline Classification

Related Content

- | | |
|----------------------------------------------------------------|---------------------------------------------------------------|
| - Scope | - Qualifying Statements |
| - Methodology | - Implementation of the Guideline |
| - Recommendations | - Institute of Medicine (IOM) National Health Care Categories |
| - Evidence Supporting the Recommendations | - Identifying Information and Availability |
| - Benefits/Harms of Implementing the Guideline Recommendations | - Disclaimer |

Scope

21

November 29, 2012

11:34am

Disease/Condition(s)

Suspected small-bowel obstruction

Guideline Category

Diagnosis

Evaluation

Clinical Specialty

Critical Care

Emergency Medicine

Gastroenterology

Internal Medicine

Nuclear Medicine

Radiology

Surgery

Intended Users

Allied Health Personnel

Health Plans

Hospitals

Managed Care Organizations

Physicians

Utilization Management

Guideline Objective(s)

To evaluate the appropriateness of initial radiologic examinations for patients with suspected small-bow

Target Population

Patients with suspected small-bowel obstruction

Interventions and Practices Considered

1. Computed tomography (CT)
 - Abdomen and pelvis with contrast (routine)
 - Abdomen and pelvis with contrast (CT enteroclysis)
 - Abdomen and pelvis with contrast (CT enterography)
2. X-ray
 - Abdomen and pelvis
 - Small-bowel follow-through
 - Small-bowel enteroclysis
3. Magnetic resonance imaging (MRI)
 - Abdomen and pelvis with or without contrast (routine)
 - Abdomen and pelvis without and with contrast (MR enteroclysis)
 - Abdomen and pelvis without and with contrast (MR enterography)
4. Ultrasound (US) abdomen and pelvis

Major Outcomes Considered

Utility of radiologic examinations in differential diagnosis of small-bowel obstruction

Methodology

9. Section C Item 1.a. (Service Specific Criteria-Magnet Resonance Imaging Services) 7.e.

What are the ACR staffing recommendations and requirements pertaining to MRI services?

Response:

ACR recommends that technologists be ARRT registered and trained as level 1 and 2 MR personnel. Screening is required as part of the employment process. MR Technologists must maintain AHA basic life support certification.

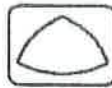
Staffing requires a minimum of 2 MR Technologists or one MR technologist and one MR personnel. The document on the following page will be adopted by BMHW upon approval and acquisition of the MR Unit.

Staffing and guidance for safe MR practices is available from the ACR.

**BAPTIST MEMORIAL HOSPITAL****MRI POLICY AND PROCEDURE MANUAL**

Effective Date: 8/1/02	MRI TECHNOLOGISTS
Last Review/Revision: 2/8/11	
Reference: MR016	

1. Training and experience requirements:
All technologists working in MRI must meet the criteria specified by the American College of Radiology for MRI Accreditation.
2. Continuing Education requirements:
All MR technologists must maintain an average of 5 hours of CE credits per year, or 15 hours of CE credits per three year accreditation cycle, specific to Magnetic resonance Imaging to retain their status as qualified MR Technologists.
3. Safety Status
 - a. To ensure their own safety, all MR technologists are screened at the beginning of employment for any medical history which would affect their safety in the MR environment: a history of eye injury involving metal objects, foreign metal objects, surgically implanted devices, etc. as described in other sections of this manual.
 - b. In the event a technologist sustains an injury or undergoes a surgical procedure involving any of these, the technologists informs his or her supervisor upon returning to work, since this may affect their safety and ability to reenter the MR environment.
4. Basic Life Support Certification: it is recommended that all MRI staff maintain current certification in American Heart Association basic life support at the health care provider level.
5. All technologists are in-serviced on the screening process including the metal detector wand and Ferralert system.



BAPTIST MEMORIAL HOSPITAL

MRI POLICY AND PROCEDURE MANUAL

Effective Date: 8/1/02	MRI SAFETY INFORMATION
Last Review/Revision: 2/8/11	
Reference: MR003	

Policy: To make reference material for safety information and product data available at each site.

Procedure:**1. Safety Information**

a. Safety information is available from the following sources:

- 1) Reference Manual for Magnetic Resonance Safety, Frank G. Shellock, (ISBN 1-931884-00-5), or
- 2) Magnetic resonance Procedures: Health Effects and Safety, Frank G. Shellock, (ISBN 0-8493-0874-7).
- 3) "American College of Radiology White Paper on MR Safety", American Journal of Roentgenology, June 2002, pages 1342-1352.
- 4) "American College of Radiology White Paper on Magnetic Resonance (MR) Safety", ACR website, 2004.

b. Safety information is also available on a wide array of topics at www.MRISAFETY.com

2. Safety Ratings

a. A wide variety of products have been evaluated for MR safety and compatibility. The safety ratings may be found in the references and website listed above.

b. Definitions*:

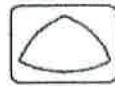
- 1) "Unsafe": not permitted in the MR environment.
- 2) "MR Safe": not a hazard in the MR environment.
- 3) "MR Compatible" means the product is not only safe, but will also function properly in the MR environment.

c. Safety ratings should never be assumed. In the event a product or device has either not been rated, or its safety rating is unknown, it should not be permitted in the MR environment until its safety rating can be documented. ("If in doubt, keep it out!")

d. Safety ratings are based on specific test conditions and may not be applicable to other conditions. For example, a device rated "MR Safe" at 1.5 T cannot be assumed to be safe at 3 T.

e. On-site alterations to a device may negate the safety rating (e.g. a metal tag affixed to an otherwise "MR Safe" device could alter the compatibility, possibly causing artifacts or safety issues).

* these are the definitions used in Dr. Shellock's publications and website. Other references may use a different terminology, so the reader should be aware of the definitions used for any particular rating system.



BAPTIST MEMORIAL HOSPITAL

MRI POLICY AND PROCEDURE MANUAL

Effective Date: 3/12/08	ZONES - IP
Last Review/Revision: 2/8/11	
Reference #: MR036	

Objective: This policy is to provide safe areas for all patients, families, ancillary personnel, delivery personnel, doctors, and anyone else who may come into proximity of the MRI scanning area.

Policy:

A. The following areas are classified as ZONES starting with ZONE I – ZONE IV.

1. **ZONE I**
Zone I is intended to be an area that can be traveled or occupied by anyone.
2. **ZONE II**
Zone II is a safe area but policy requires the technologist to be aware that someone is in that area and needs some attention. All screenings occur in this area including the metal detector wand screening. Any equipment necessary to sustain a patient including ventilators, stretchers, wheelchairs, pumps, monitors, etc. can still be present in this Zone. This area is monitored by cameras at all times. This Zone has a security keypad entry.
3. **ZONE III**
Zone III is an area that the patient, family member, and/or ancillary personnel have the final screening before entering into the magnet room or Zone IV. All equipment not deemed MRI compatible is to be removed and placed in Zone II. If supporting equipment (monitors, pumps, ventilators) is necessary it will be put in place at this time. This equipment can be used because it has been deemed MRI SAFE and is to be tagged with a green MRI label.
4. **ZONE IV**
Zone IV is in the actual room that houses the magnet. The magnetic field strength in this room can be as high as 30,000 gauss. When the magnet is not in use the door remains closed. There are lines on the floor after entering this room that denotes the 5 (red) gauss area of the room. This is also indicated on the door legend. These are safe areas for the technologist and only the technologist. All other personnel, patients and family are thoroughly screened prior to entering the room. This is to be considered the second screening.

B. All entry and exit doors display a STRONG MAGNETIC FIELD sign. This pertains to any Zones that have a doorway separating them from other departments or waiting rooms.

C. All screenings are done by qualified personnel.

E. There is a legend or map of the zones posted after entering Zone II.

10. Section C, Need, Item 6

There appears to be some errors and omissions in the second chart:

- In the "BMH-M Total ER Treatment Rooms" row, shouldn't the last two columns be 52. Additionally, will the 5 treatment rooms that historically were used for pediatrics at BMH-M be used for adults after project completion?
- In the "BMH-W ER Visits" row should pediatric visits be reported in Year 1 and Year 2 instead of BMH-M?
- What are the "BHM-M Total ER Visits" for Years 1 and 2?
- Please explain why the applicant projects that pediatric admissions will almost triple between 2012 and Year 2.

Please make the necessary corrections and submit a revised utilization chart.

The necessary corrections have been made on the revised utilization chart.

- 1) The last 2 columns of the BMH-M Total ER Treatment Rooms Column should be 52. The applicant intended that number to be entered into the original submission.
- 2) The pediatric visits are now correctly shown for BMH-W.
- 3) The total projected BMH-M ER visits are shown on the Chart.
- 4) A correction has been made on the line showing pediatric admissions for projected Year 1 and 2. A number other than admissions had been incorrectly transcribed to this line.

When does the applicant expect the MRI unit at BMH-W to reach the 2,880 procedure utilization standard?

Response:

Projections 8 years into the future indicated that MRI procedures would likely be around 2000 at that time unless an intervening event occurred. That event may be additional screening recommendations for prevention or scheduling overflow patients from BMHM. This unit is also conveniently located close to the proposed new Cancer Center and could pick up utilization from those patients'

SUPPLEMENTAL- # 2**November 29, 2012****11:34am**

Variable	2009	2010	2011	2012	Year 1*	Year 2*
BMH-W ER Treatment Rooms	-	-	-	-	8	8
BMH-M Adult ER Treatment Rooms	47	47	47	47	52	52
BMH-M Pediatric ER Treatment Rooms	5	5	5	5	-	-
BMH-M Total ER Treatment Rooms	52	52	52	52	60	60
BMH-W ER Visits	-	-	-	-	7,320	7,900
BMH-M Pediatric (0-18) ER Visits	8,040	6,911	6,955	6,994	-	-
BMH-M Adult ER Visits	48,926	47,373	49,907	51,339	52,007	53,221
BMH-M Total ER Visits	56,966	54,284	56,862	58,333	52,007	53,221
BMH-W *Pediatric Inpatient Admissions	320	169	173	187	365	370
BMH-M Pediatric Inpatient Admissions	305	220	202	121	N/A	N/A
BMH-W Pediatric Patient Days	1572	1437	1163	818	1400	1585
BMH-M Pediatric Patient Days	695	575	525	285	N/A	N/A
BMH-W Pediatric ADC	4.4	4.2	3.32	2.47	2.00	2.00
BMH-M Pediatric ADC	2.41	2.09	1.98	1.7	N/A	N/A

11. Section C, Economic Feasibility, Item 4 (Historical Data Chart)

Are the Management Fees to Affiliates or Non-Affiliates?

Response:

The management fees are to affiliates. A revised sheet is provided.

HISTORICAL DATA CHART

Give information for the last three (3) years for which complete data are available for the facility or agency. The fiscal year begins in 2012 NOV 30 AM 11 34 (Month)

	Year 2009	Year 2010	Year 2011
A. Utilization Date (Patient Days; OP Visits)	28,474; 48,119	26,012; 45,743	26,966; 43,216
B. Revenue from Services to Patients			
1. Inpatient Services	\$ 100,341,114	\$ 98,523,064	\$ 107,748,283
2. Outpatient Services	\$ 42,937,286	\$ 42,359,969	\$ 46,908,978
3. Emergency Services			
4. Other Operating Revenue (specify) <u>cafeteria, gift shop, etc.</u>	\$ 1,864,944	\$ 2,540,315	\$ 2,756,418
Gross Operating Revenue	\$ 145,143,344	\$ 143,423,348	\$ 157,413,679
C. Deductions from Gross Operating Revenue			
1. Contractual Adjustments	\$ 74,183,546	\$ 74,699,928	\$ 87,151,153
2. Provision for Charity Care			
3. Provision for Bad Debt	\$ 2,182,327	\$ 1,796,205	\$ 2,112,465
Total Deductions	\$ 76,365,873	\$ 76,496,133	\$ 89,263,618
NET OPERATING REVENUE	\$ 68,777,471	\$ 66,927,215	\$ 68,150,061
D. Operating Expenses			
1. Salaries and Wages	\$ 37,563,569	\$ 36,607,650	\$ 38,032,757
2. Physician's Salaries and Wages			
3. Supplies	\$ 10,131,883	\$ 10,087,939	\$ 10,214,555
4. Taxes			
5. Depreciation	\$ 3,551,427	\$ 3,980,296	\$ 4,192,611
6. Rent			
7. Interest, other than Capital	\$ 690,136	\$ 1,689,024	\$ 1,771,274
8. Management Fees:			
a. Fees to Affiliates	\$ 5,974,728	\$ 6,335,196	\$ 6,113,328
b. Fees to Non-Affiliates			
9. Other Expenses (Specify on separate page)	\$ 7,127,163	\$ 6,984,419	\$ 6,900,436
Total Operating Expenses	\$ 65,038,906	\$ 65,684,524	\$ 67,224,961
E. Other Revenue (Expenses) - Net (Specify)	\$ 167,130	\$ (269,141)	\$ (507,268)
NET OPERATING INCOME (LOSS)	\$ 3,905,695	\$ 973,550	\$ 417,832
F. Capital Expenditures			
1. Retirement of Principal			
2. Interest			
Total Capital Expenditures	\$ -	\$ -	\$ -
NET OPERATING INCOME (LOSS)			
LESS CAPITAL EXPENDITURES	\$ 3,905,695	\$ 973,550	\$ 417,832

12. Section C, Economic Feasibility, Item 4012 (Projected Data Chart)*

There appears to be a discrepancy between the "Other Expenses" total in Year 2 of the Projected Data Chart and Year 2 of the Other Expenses Chart. Please address this discrepancy.

When does the applicant expect BMH-W to report a favorable net operating income?

Response:

A typographical error has been corrected in the year 2 estimate for equipment expense. The amount is the same in both Year 1 and Year 2.

The market forces have an unpredictable impact on the cash flow for the hospital. BMHW is a satellite of BMHM and BMHCC considers the financial performance of the entity as a whole. BMH Memphis has a favorable income as demonstrated on the financial reports provided in the application.

HISTORICAL DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	Year 2009	Year 2010	Year 2011
1 Purchased Services	\$ 1,928,208	\$ 1,841,461	\$ 2,522,310
2 Insurance	\$ 566,741	\$ 569,733	\$ (4,202)
3 Utilities	\$ 1,057,232	\$ 1,033,381	\$ 890,266
4 Misc Expense (Charitable Donations, Travel, Seminars, Licenses and Taxes)	\$ 1,069,242	\$ 740,427	\$ 509,260
5 Professional Fees	\$ 1,787,269	\$ 1,992,810	\$ 2,050,646
6 Repairs and Maintenance	\$ 718,460	\$ 806,607	\$ 931,934
7 Gain(Loss) on Sales of Assets	\$ 11		\$ 222
Total Other Expenses	\$ 7,127,163	\$ 6,984,419	\$ 6,900,436

PROJECTED DATA CHART-OTHER EXPENSES

OTHER EXPENSES CATEGORIES	Year 1	Year 2
1 Purchased Services	\$ 967	\$ 996
2 Repairs and Maintenance	\$ 183,826	\$ 183,826
3 Misc Expense	\$ 1,827	
4		
5		
6		
7		
Total Other Expenses	\$ 186,620	\$ 184,822

AFFIDAVIT

2012 NOV 30 AM 11 34

STATE OF TENNESSEE

COUNTY OF SHELBY

NAME OF FACILITY: Baptist Memorial Hospital for Women

I, ARTHUR MAPLES, after first being duly sworn, state under oath that I am the applicant named in this Certificate of Need application or the lawful agent thereof, that I have reviewed all of the supplemental information submitted herewith, and that it is true, accurate, and complete.

Arthur Maples Dir Strategic Analysis
Signature/Title

Sworn to and subscribed before me, a Notary Public, this the 29th day of November, 2012, witness my hand at office in the County of Shelby, State of Tennessee.

Paulette E. Kearney
NOTARY PUBLIC

My commission expires My Comm. Exp. August 21, 2016

HF-0043

Revised 7/02

